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County of Contra Costa, California

Comprehensive Annual Financial Report

Fiscal Year Ended
June 30, 2018

Robert Campbell
Auditor-Controller

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County of Contra Costa, California

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Fiscal Year Ended June 30, 2018

Robert R. Campbell, Auditor-Controller

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COUNTY OF CONTRA COSTA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

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THE SEAL OF
CONTRA COSTA COUNTY CALIFORNIA

Introductory Section

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December 14, 2018

Members of the Board of Supervisors and Citizens of Contra Costa County:

The Comprehensive Annual Financial Report (CAFR) of the County of Contra Costa (county) for fiscal year 2017-2018 is presented in compliance with California Government Code Sections 25250 and 25253. The Office of the County Auditor-Controller is responsible for both the accuracy of the presented data and the completeness and fairness of its presentation, including all disclosures, prepared in this report. We believe the data, as presented, is accurate in all material respects, presented in a manner designed to fairly set forth the financial position and changes in financial position of the county and its various funds, and includes all disclosures necessary to enable the reader to gain maximum understanding of the county's financial affairs.

Management of Contra Costa County is responsible for establishing and maintaining a comprehensive system of internal controls to ensure that the assets of the county are protected from loss, theft, or misuse, and that accounting data is compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. Internal controls are designed to provide reasonable, but not absolute, assurance that those objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgment by management.

For over 70 years, the policy of the county has been to require an annual audit of the financial statements of the county by independent, licensed certified public accountants. The Board of Supervisors selected the firm of Macias Gini & O'Connell LLP, Certified Public Accountants, to perform the fiscal year 2017-2018 audit.

The independent auditor concluded that the county's financial statements for the fiscal year ended June 30, 2018, are fairly presented in conformity with accounting principles generally accepted in the United States of America. The independent auditor's report is presented as the first component of the financial section of the CAFR.

The CAFR represents the culmination of all budgeting and accounting activities engaged in by the county during the year, covering all of its financial transactions. The accounting principles generally accepted in the United States of America require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A), which is located after the independent auditor's report. The letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

The CAFR is organized into three sections:

- *The Introductory Section* is intended to familiarize the reader with the organizational structure of the county, the nature and scope of the services it provides, and the specifics of its legal operating environment.

- *The Financial Section* includes the independent auditor's report on the basic financial statements, MD&A, audited basic financial statements, note disclosures and supporting statements, and schedules necessary to provide readers with a comprehensive understanding of the county's financial activities of the past fiscal year.

- *The Statistical Section* provides the reader with additional historic perspective, context, and detail to assist in using the information in the financial statements. It provides information in five categories: financial trends; revenue capacity; debt capacity; demographic and economic information; and operating indicators.

Profile of the Government

Contra Costa County was incorporated in 1850 as one of the original 27 counties of the state. It is one of nine counties in the San Francisco-Oakland Bay Area. The county covers about 733 square miles: the western and northern shorelines are highly industrialized, while the interior sections are suburban/residential, commercial, and light industrial.

The county has a general law form of government. A five member Board of Supervisors (Board), each elected to four-year terms, serves as the legislative body. A County Administrative Officer is appointed by the Board and runs the day-to-day business of the county.

The county provides the full-range of services contemplated by statute. Those services include public protection, highways and street maintenance, sanitation, health and social services, planning and zoning, and general administrative services.

The county reporting entity includes all the financial balances and activities of the primary government as well as all of its component units. Component units are legally separate organizations for which the Board is financially accountable or other organizations whose nature and relationship with the county are such that exclusion would cause the county's financial statements to be misleading or incomplete. Financial accountability is defined as the appointment of a voting majority of the component unit's board, and either (i) the county's ability to impose its will on the organization or (ii) there is potential for the organization to provide a financial benefit to or impose a financial burden on the county. For further information on component units, refer to Note 1.A in the "Notes to the Basic Financial Statements" in this report.

The reporting entity excludes certain separate legal entities that may have "Contra Costa" in their title, or that are required to keep their funds in the County Treasury, or receive their property tax apportionment from the county. Examples are the Contra Costa County Employees Retirement Association, school districts, the community college district, cities, successor agencies to city redevelopment agencies, the Bay Area Rapid Transit District, the Metropolitan Transportation Commission, and a variety of special purpose districts for cemeteries, mosquito abatement, recreation and parks, etc. Those entities are autonomous organizations that handle their own fiscal affairs and for which the Board has no oversight responsibility. Accordingly, they are not included in

the accompanying basic financial statements except for their assets, principally cash and investments, which may be held by the County Treasurer.

The annual budget serves as the foundation of the county's financial planning and control. The Board adopts a recommended budget prior to the start of the fiscal year. The budget is prepared by fund, function (e.g. public protection), department (e.g. Sheriff Custody Services), and object level (e.g. salary and benefits). Department heads, with the approval of the County Administrator, may make transfers of appropriations within the department; however, transfers between departments require the approval of the Board. For further information on the budget, refer to the "Note to Required Supplementary Information" in the Required Supplementary Information (other than MD&A) section of this report.

Local Economy

As of January 1, 2018, the county's population was estimated at 1,149,363. This represents an increase of approximately 5.5% compared to the county's population as of January 1, 2014.

Between July 2017 and June 2018, the county's unemployment rate decreased from 4.1% to 3.5%, which was significantly below the statewide averages of 4.9% and 4.5%, respectively (not seasonally adjusted). The county's economy is very diverse: major industries include petroleum refining, manufacturing, electronic equipment, and utilities. The county consistently ranks as a leader in both per capita and household income.

The following charts present pertinent available data for the last five-years:

Population	
2014	1,089,219
2015	1,111,143
2016	1,126,824
# 2017	1,139,313
2018	1,149,363

Median Price of Existing Homes Sold		
2013	November	N/A
2014	November	$ 437,000
2015	November	N/A
2016	November	565,000
2017	November	N/A

Retail Sales (Thousands)	
2014	$ 15,030,047
2015	15,670,053
2016	15,924,592
2017	N/A
2018	N/A

Retail Sales Per Capita	
2014	$ 13,799
2015	14,103
2016	13,855
2017	N/A
2018	N/A

Revised
Sources: California Department of Finance/Employment Development Department Board of Equalization
N/A = Not available

The county's goal for fiscal year 2017-2018 was to adopt a General Fund budget that balanced annual expenses and revenues, preserved the fund balance, addressed revenue challenges and pension impacts, and continued the long-term strategy of rebalancing the structure of the budget. The county met those goals in fiscal year 2017-2018 and continues to be optimistic for the long term given the Board and employees' commitment to continued fiscal stability.

At the end of fiscal year 2017-2018, the county was in contract with the majority of its labor unions. With their assistance, the county has implemented a long-term rebalancing plan to reduce its expenditures and restructure its service delivery to provide the most effective services within annual available resources.

Economic Challenges

After years of significant challenge, the county has seen improvement in its financial status. Contra Costa County has managed the economic challenges of the past decade through cooperation between the Board of Supervisors, department heads, and employees by making prudent fiscal choices, living within its means, and continuing to plan for the future.

The fiscal year 2017-2018 adopted budget, assumed the following:

- growth of 5% assessed value/property taxes;
- planned increases in compensation costs;
- increased benefit costs; and
- no reliance on one-time revenues.

At mid-year, the Board formally reviewed the fiscal year 2017-2018 budget pursuant to the county's budget, reserve, and debt fiscal policies. At the time of that review, departmental expenditures and revenues at mid-year were within acceptable parameters given the Board's approved budget. The overall county budget including the General Fund budget was balanced for the seventh year in a row. This was accomplished due to the overall improved economic climate in Contra Costa County, as well as increased assessed valuations.

The end of fiscal year 2017-2018 marked the eleventh year of operations since the county's adoption and implementation of fiscal policies. Although fiscal and economic challenges still exist, the budget remained balanced due to careful planning and diligent monitoring.

The county successfully negotiated with nine of its thirteen bargaining groups to increase wages and to significantly increase the county contribution to employee healthcare cost. The county's increased subsidies to healthcare will begin in the 2019 plan year.

Reserve Balance

Prior to the housing market collapse, the county had reversed the trend of declining reserves experienced in the last decade and achieved a balanced General Fund budget for fiscal years 2005-2006 and 2006-2007; however, as is their purpose, reserves were spent in fiscal years 2007-2008 and 2008-2009. In fiscal years 2009-2010 and 2010-2011, due to federal stimulus funding and negotiated compensation concessions, the budgets were balanced. Since fiscal year 2012-2013, budgets have not anticipated reserve spending for on-going program expenses and the fiscal year 2017-2018 budget did the same.

In 2005, the Board adopted a General Fund Reserve Policy that established specific goals regarding the county's total and unreserved General Fund balance (5% unreserved fund balance and 10% total fund balance as percentages of General Fund revenue). Governmental Accounting Standards Board (GASB) Statement No. 54 required a slight revision to the county's General Fund Reserve Policy by changing the term "unreserved" to "unassigned". The county continues to exceed the minimum unassigned General Fund goal of 5% of each year's projected revenue and has recently achieved its informal goals of 10% and 20%, which

are more prudent goals for a county the size of Contra Costa County. Nine years of actual data now is available under the GASB 54 format and presented in the schedule of Fund Balances of Governmental Funds on page 177 of the Statistical Section. Restricted fund balance for the General Fund grew by $21.8 million, committed fund balance decreased by $42,000, non-spendable fund balance increased by $1.5 million, assigned fund balance increased by $39.7 million, and unassigned fund balance decreased by $8.0 million. The total fund balance grew by $54.9 million in fiscal year 2017-2018, which increased the total fund balance as a percentage of total revenue from 29.9% to 32.3% (a 2.4% increase).

Relative Debt Burden

There are many measures of an entity's fiscal health in addition to reserve levels. Pursuant to the county's Debt Management Policy, the Debt Affordability Advisory Committee annually calculates certain debt factors and debt burden ratios, compares them to benchmarks maintained by Moody's Investors Service (Moody's) and Standard and Poor's (S&P), and then publishes the results in the Annual Debt Report. In addition, the county benchmarks against a cohort of similarly situated California counties to take into account the unique factors associated with California. The Annual Debt Report is released each year after publication of counties' Comprehensive Annual Financial Reports (CAFR). The most recent Annual Debt Report available for reference is fiscal year 2016-2017 and the information below is sourced from that report.

Measuring the county's reserves and debt performance using ratio analysis provides a convenient way to compare the county's credit performance to other borrowers. Two of the most common reserve ratios applied to counties are the available and total general fund balance as a percentage of total general fund revenues. Those ratios are important measures of the financial flexibility (i.e. the ability of the county to absorb the impact of unforeseen events and emergencies such as sudden drops in assessed valuation due to real estate market cycles, earthquakes, etc.) of the county. It is important to note that rating agencies evaluate the county relative to a broader universe of counties and, thus, the comparisons to counties nationwide are critically important.

The county's fund balance performance is tracked using two ratios and compared to benchmarks from Moody's and cohort California counties. Below is the performance of Contra Costa County for each ratio:

1. Available General Fund Balance (including Assigned, Unassigned, and Committed fund balance) as a percentage of Total General Fund Revenue: The county's performance at 29% is above the Moody's median benchmark for Large "Aa" Rated counties nationwide (with populations over 1 million) at 21% and above the Large Urban California counties cohort median at 23%.

2. Total General Fund Balance as a percentage of Total General Fund Revenue: The county's performance at 30% is above the Large Urban California counties cohort median at 28%.

The county's debt performance is tracked using five ratios and compared to benchmarks from Moody's, Standard and Poor's in addition to cohort California counties. Below is the performance of Contra Costa County for each ratio:

1. Direct Debt to Assessed Value: The county's performance at 0.30% is better than both the Moody's median for Large "Aa" counties nationwide, at 0.50%, and the Large Urban California counties cohort median at 0.31%.

2. Overall Debt to Assessed Valuation: The county's performance at 2.79% is better than Large Urban California counties cohort median at 2.97%.

3. Assessed Valuation per Capita: The county's performance at $168,233 was higher than all benchmarks, including the Moody's median for Large "Aa" counties nationwide at $109,335, Standard and Poor's "AAA" GO Median for Counties at $116,546, and the Large Urban California counties cohort median at $144,036.

4. Direct Debt per Capita: The county's performance at $502 per capita was equal to the Large Urban California counties cohort median at $502.

5. Direct Debt as Percentage of Governmental Funds Revenue: The county's performance at 26% was well under the Standard and Poor's AAA GO median for counties at 69%, and equal to the Large Urban California counties cohort median at 26%.

S&P rated the county's issuer credit rating (ICR) at the highest-possible level of "AAA", a reflection of the county's prudent management of finances. This achievement is due to the county's continued adherence to its financial management policies, the underlying strength of its wealth and assessed valuation demographics, and demonstrated track record in managing difficult economic cycles. S&P also rated the county's existing lease revenue bonds and pension obligation bonds at its "AA+" and "AAA", respectively. Moody's currently rates the county's Issuer Rating at a high investment grade of "Aa2" and rates the county's existing lease revenue and pension obligation bonds at "Aa3" and "A1", respectively.

Long-term Financial Planning

The county is committed to prudent fiscal management and engages in targeted long-term financial planning when possible and appropriate. Per Budget Policy, the fiscal year 2017-2018 budget process again included a strategic planning and financing process for facilities renewal, new construction projects (short and long-term capital budgets), and a comprehensive management program for the county's general government real estate assets relative to acquisition, use, disposition, and maintenance. This process includes funding decisions for maintaining the county's facility assets and allows the Board to consider funding decisions using credible information. The following projects were completed in fiscal year 2017-2018:

- Demolition of Building F & G at Marsh Creek Detention Facility, 1200 Marsh Creek Road, Clayton. Total project cost was $175,826.

- Replace kitchen sewer waste pipes, 2500 Alhambra Avenue, Martinez. Total project cost was $213,888.

- Remodeling of the Visitation Center, 555 Giant Highway, Richmond. Total project cost was $358,620.

- Repair and replace the roof at Fire Station 69 (CCCFPD). Total project cost was $14,084.

- Expand the Emergency Department with a Diagnostic Imaging area at the Contra Costa Regional Medical Center, 2500 Alhambra Avenue, Martinez. Total project cost was $2,955,351.

- Installation of roof top equipment and accessibility upgrades, 2530 Arnold Drive, Martinez. Total project cost was $1,509,982.

- Americans with Disabilities Act (ADA) survey, 4071 Port Chicago Highway, Concord. Total project cost was $15,000.

- Old Surplus Yard parking, 220 Glacier Drive, Martinez. Total project cost was $160,000.

- Demolition of recycling building, 220 Glacier Drive, Martinez. Total project cost was $95,000.
- Center for Medicare and Medicaid Services (CMS) Regulatory Compliance work at the Contra Costa Regional Medical Center, 2500 Alhambra Avenue, Martinez. Total project cost was $220,000.
- Renovation of the lunch room at Building Inspection's satellite office, 3685 Mt. Diablo Boulevard, Lafayette. Total project cost was $50,000.
- Health Services Department Mobile Clinic Lot Improvements, 220 Glacier Drive, Martinez. Total project cost was $165,000.
- Installation of two new Autoclaves at the Contra Costa Regional Medical Center, 2500 Alhambra Avenue, Martinez. Total project cost was $50,000.
- Landscaping at Walden Green, Iron Horse Corridor, Pleasant Hill. Total project cost was $923,872.
- Morrow House restoration and conversion to office space, 1236 Escobar, Martinez. Total project cost was $500,000.
- Relocation of the County Local Emergency Medical Services (LEMSA) Agency to 777 Arnold Drive, Martinez. Total project cost was $700,000.

County's long-term liability for Other Postemployment Benefits (OPEB). The Board's actions, to date, have had a significant impact on the county's original 2006 OPEB liability of $2.57 billion and annual required contribution (ARC) of $216.3 million. The reductions reflect health plan changes, caps on county contributions, and labor concessions using data from the most recent GASB 75 Actuarial Valuation conducted on January 1, 2018 (except as otherwise noted), are summarized below:

- Compared to the county's original OPEB valuation from 2006, the county's Unfunded Actuarial Accrued Liability (UAAL) has declined by 63.7% (from $2.57 billion to $662.5 million).
- The normal cost of OPEB has declined 78.7% (from $130.6 million to $27.8 million).
- The ARC has declined by 69.9% (from $216.3 million to $65.0 million).
- In December 2010, the county authorized adoption of the Public Agencies Retirement Services (PARS) Post-Retirement Health Care Plan Trust Agreement to manage its OPEB irrevocable trust account and in 2011 began transferring assets into that trust. The county continues to deposit $20 million into the trust on an annual basis.
- As of the January 1, 2018, GASB 75 Actuarial Valuation, the county had pre-funded 28.9% of its OPEB liability, with total OPEB trust assets of $269.6 million.

GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other than Pensions (GASB 75), was established to improve the decision-usefulness of information in employer and governmental nonemployer contributing entity financial reports and enhance its value for assess accountability and interperiod equity by requiring recognition of the entire OPEB liability in the county's financial statements and a more comprehensive measure of OPEB expense. The county early implemented GASB 75 in fiscal year 2016-2017 and a new Actuarial Valuation was performed as of January 1, 2018.

Relevant Financial Policies

The Board has adopted a comprehensive set of financial management policies to provide for: (1) the annual adoption of a policy for the prudent investment of county funds; (2) establishing a Treasury Oversight Committee; (3) establishing and maintaining a General Fund reserve; (4) establishing formal fiscal policies regarding the adoption and maintenance of an annual balanced budget; and (5) establishing parameters for issuing and managing debt. Each of these financial management policies is described below.

Investment Policy. The county annually adopts an investment policy (the "Investment Policy") governing the county's investment of funds in the County Treasurer's Investment Pool, which as of June 30, 2018, held assets in the approximate amount of $3.9 billion. The Board approved the most recent update to the Investment Policy on June 26, 2018.

Treasury Oversight Committee. The Treasury Oversight Committee is composed of seven members: the County Superintendent of Schools; a representative selected by a majority of the presiding officers of the governing bodies of the school districts and community college districts in the county; a representative selected by a majority of the presiding officers of the legislative bodies of the special districts in the county that are required or authorized to deposit funds in the County Treasury; a representative appointed by the Board; and three members of the public nominated by the County Treasurer-Tax Collector.

The Treasury Oversight Committee is responsible for conducting a quarterly review of the county investment portfolio and annually updating the Investment Policy.

Reserve Policy. The Reserve Policy requires the county to maintain a General Fund balance equal to a minimum of 10% of General Fund revenues and an unassigned fund balance equal to a minimum of 5% of General Fund revenues. Reserves exceeding the minimum are applied only to one time uses, such as additional reserves or capital projects, up to an amount equal to 1% of General Fund revenues. The reserves can only be used in emergencies and if accompanied by a Board-approved plan to restore reserves to the target levels. The county's audited financial report for fiscal year 2017-2018 confirms compliance with the reserve policy: the total General Fund balance was 32.3% of General Fund revenues and the unassigned portion was 16.6%.

Budget Policy. The Budget Policy objectives are to establish best practices for the county's budget process and requirement for preparation of multi-year budget projections. Among other things, the Budget Policy requires the adoption of structurally balanced budgets and requires mid-year updates on budget status by department, with corrective actions presented to the Board within 30 days for any cost centers over budget.

Debt Management Policy. The Debt Management Policy formalized guidelines for the issuance and management of various types of debt instruments and other financial obligations. The Debt Management Policy provides that the county will undertake multi-year capital planning and sets forth guidelines for the term of debt issues, refunding savings targets, and other structural debt features.

The Debt Management Policy established a Debt Affordability Advisory Committee (DAAC) which evaluates the viability of any proposed debt-financing, monitors and evaluates the county's performance against various debt ratio benchmarks, and annually prepares a comprehensive debt capacity report for the County Administrator. The DAAC monitors specific statistical measures and compares them to those of other counties, rating agency standards, and the county's historical ratios. The Debt Management Policy is updated annually and was last updated on March 20, 2018.

Investment Pool Rating. The Contra Costa County Investment Pool (Pool) was rated by Standard & Poor's (S&P) on December 13, 2017. The Pool was assigned a fund credit quality rating of "AAAf" and a fund volatility rating of "S1"+. The "AAAf" rating is S&P's highest fund credit quality rating with the "S1+" volatility rating reflecting extremely low sensitivity to changing market conditions. The Pool has maintained its "AAAf" and "S1"+ ratings since first rated in November 2007.

Workers' Compensation. The Board maintains a Workers' Compensation Internal Service Fund funding policy. The objective of the policy was to establish a targeted minimum confidence level of 80%. The objective again was exceeded and was funded at 95% as of June 30, 2018. The county payments have decreased from a high of $37 million in fiscal year 2006-2007 to approximately $25.4 million annually to the Workers' Compensation Internal Service Fund and continues to meet the Board's funding objective.

Major Initiatives

Agriculture

The Department performed 372 point-of-sale (Price Verification) inspections in 2017. 94 violation notices and 5 administrative actions were issued involving $10,200 in proposed fines.

The University of California Master Gardener Program (UCMGP) trained and managed 255 Master Gardener volunteers who contributed 22,128 hours (valued by the Independent Sector at $629,750), educating over 11,000 local county residents, answering questions on horticultural topics promoting healthy and sustainable homes and communities. The program continues to increase its volunteer base and outreach into West and East County. In 2018, it sees the opening of a new UCMGP demonstration garden in Antioch at the Contra Costa County Fairgrounds. Additionally, the program will steward management of a garden showcasing climate-appropriate plants in Richmond and plan bilingual presentations on container gardening. In spring 2018, the Growing Gardeners program was piloted. It is a four-part educational series aimed at the beginner home vegetable gardener.

There were reductions to the pest management program in 2017. Surveys were completed of 49 historically invasive noxious weed infested sites for the two (2) target species of the program.

The Canine Program continues to be a success. The one (1) canine team continues to work regionally in twelve (12) Greater Bay Area counties at FedEx and UPS. A new handler and dog are being trained to begin inspections in 2018. The program continues work in two (2) U.S. Post Office facilities and will be expanding. The canine team intercepted packages that could have had severe economic impacts to California's agriculture and environment.

Animal Services

In 2017, the Department created a comprehensive performance report that accurately measured its key metrics, including the rate of adoptions and transfers to transfer partners. The report shows significant improvement in the areas of Live Release Rate (up 18% since 2014), adoptions (up 19% since 2014), and reduced the euthanasia rate (down 71% since 2014). This data highlights the increase in positive outcomes to promote and identify new homes for sheltered animals impounded into the Department's care.

The Department increased public surgery resources by working closely with Tony LaRussa's Animal Rescue Foundation, Fix Our Ferals, PAWsitively Safe, Spay and Neuter Impact Program (SNIP) and PawFund.

The Department increased the volume of shelter animals who were spayed/neutered by evaluating and improving current processes for altering adopted animals. Those improvements in turn expedited adoption processing by allowing animals to go home the same day they are adopted. This also helps to reduce costs by decreasing the overall length of stay for adopted animals. Those efforts were accomplished while maintaining surgery and vaccine services to the public.

Assessor

The Department completed the State Department of Motor Vehicles (DMV) Information Security Agreement, and received approval for online DMV access to verify ownership and transfer date information to assess the value of boats in Contra Costa County for tax assessment purposes. This process involved working closely with DMV Information Security staff and the Department of Information Technology (DOIT), and included a review of the Department's computer program, computer network and workspace/office space security policies and procedures.

The Department automated the assessment process of the Marine Division, which reduced the amount of manual input of data by staff.

The Department partnered with The Sidwell Company to implement custom tools to create Assessor parcel map pages within the County's Geographical Information System (GIS) environment. This project included moving all data into a modern Parcel Fabric format, streamlining business process workflows, and has resulted in eliminating the duplication of effort in drawing Assessor parcel maps in both Computer Aided Drafting (CAD) and GIS software applications.

Clerk-Recorder/Elections

The Clerk-Recorder Division extended County Clerk service hours until 7:30 p.m. every Thursday during the months of July and August 2017. The Division served 175 customers and completed 226 transactions during this time. This was a 24% increase in the number transactions over the summer of 2016.

The Elections Division successfully prepared for and conducted the June 2018 Gubernatorial Primary Election as well as several small special elections.

The Elections Division created "voter registration drive in-a-box" supply kits last September to assist high school and local groups with their voter registration efforts. On September 18, 2017, Contra Costa County high schools used the kits to register and preregister 744 students on National Voter Registration Day.

The Civic Engagement team worked with both the Elections and Clerk-Recorder Divisions to create and host a "one-stop shop" event for residents to receive a variety of county services. The August 10, 2017, "Block Party" event included twenty-two (22) county departments and was attended by over two hundred (200) residents.

Conservation and Development

County staff issued $149 million in tax-exempt bonds to support the development of 427 units of affordable housing.

The Department was awarded a $300,000 Measure J Transportation for Livable Communities ("TLC") grant for an Iron Horse Corridor Study that initiated in February 2018.

The Department partnered with the Contra Costa Transportation Authority in developing and submitting a grant to Caltrans to conduct the Accessible Transportation Strategic Plan. The application was unsuccessful but the effort will continue into 2018 with a second grant submission.

Staff have initiated the work required to update the Byron Airport Land Use Compatibility Plan. The Airport Land Use Commission was staffed and an application fee program to free up airport funds was implemented.

The Successor Agency to the Contra Costa County Redevelopment Agency refinanced $75 million of bonds issued by the Contra Costa County Public Financing Authority. The bond issue was insured by Build America Mutual with an underlying S&P rating of A+. The results were: refunding savings of $27.7M over the next 19 years (exceeding the $25M projection presented to the Board of Supervisors, and net present value savings of 21% (exceeding the 14% projection presented to the Board of Supervisors).

Contra Costa County Fire Protection District

The District responded to approximately 73,700 incidents in calendar year (CY) 2017. This represents a 12.5% increase in call volume compared to CY 2016.

The District conducted 12,750 life safety inspections and plan reviews of new and existing buildings and fire/life safety systems for compliance with state and local fire and building codes during CY 2017. This represents a 28% decrease compared to CY 2016.

The District entered into a contract with the City of El Cerrito to provide dispatch services through the District's Contra Costa Regional Fire Communications Center.

The District continued to develop a long term funding plan for fire station construction projects, to include Fire Station 9 in Pacheco and Fire Station 86 in Bay Point.

County Counsel

The County Counsel's Office expects to continue to provide legal services to the Health Services Department and the County Administrator's Office associated with the County's state mandated obligations to provide medical care to indigent individuals.

Department of Information Technology

The Department designed and incorporated a wireless network for additional County locations to further reduce the need for cabling and provide high-speed service for mobile devices.

District Attorney

In 2018, the Humphrey decision ordered judges in the state to stop relying on the conventional bail schedule for criminal offenses, especially in cases where a defendant does not pose a substantial safety risk. The ruling also compels judges to consider bail alternatives like electronic monitoring with ankle bracelets. Humphrey requires an inquiry about ability to pay and consideration of nonmonetary alternatives to money bail. The District Attorney's office anticipates a significant increase in workload in order to prepare for and attend hearings, as well as an increase in victim witness support services associated with the hearings.

Employment and Human Services (EHSD)

EHSD administered a technology survey throughout the year that provided them with data related to customers' computer and cell phone ownership, as well as user preferences in communicating with EHSD and accessing services. The results from this survey were instrumental in building out a text message program for appointment reminders and expanding the availability of phone charging stations in their buildings. EHSD launched a marketing campaign for My Benefits CalWIN, an online system that allows customers to complete many registration steps online instead of visiting an office. This campaign was extended into 2018.

EHSD endeavored to close the digital divide among their customers by expanding their personal computer donation program. As of December 2017, more than nine hundred (900) surplus PCs were refurbished, and more than two hundred thirty (230) were distributed to eligible EHSD customers.

Over the course of 2017, a strategic work group reviewed employee training, data collection, media, and recognition programs related to customer service. Over three hundred (300) staff members were engaged in a series of department-wide customer service trainings throughout the year, and revised the orientation sessions for new employees. In addition, EHSD expanded its Leadership Academy series, with close to one hundred (100) managers and supervisors participating. Additional trainings, with a focus on Internal Customer Service, are being developed for 2018.

The Homeless Disability Advocacy Program (HDAP) application was submitted in mid-2017 and EHSD was awarded $746,546. HDAP is a three-year program (through June 30, 2020) intended to provide housing to individuals who are homeless and appear to be eligible for Supplemental Security Income (SSI/SSDI), veteran's benefits, or the Cash Assistance Program for Immigrants (CAPI). Implementation is in process, and EHSD is working closely with the Health Services Department - Health, Housing and Homelessness bureau. Implementation began in May 2018.

Health Services

Health Services have developed the training module for their claims examiners and will train 100% of their claims examiners by third quarter 2018, and continue with quarterly training, resulting in a more skilled team. Quarterly training will be the standard practice of ensuring top notch professional claims examiners.

Contra Costa Health Plan (CCHP) collaborated with data preparation by Local Health Plans of California on the improved health outcomes and decreases in avoidable emergency room visits with the Affordable Care Act (ACA) Medi-Cal Expansion members enrolled with CCHP and other non-profit Medi-Cal Health Plans in California. This data was shared with California legislature as well as congressional representatives who assisted in the vote to prevent the repeal and replace bills during 2017. Therefore, the 56,000 CCHP members have retained their Medi-Cal coverage to date.

The implementation of the Electronic Health Record (ccLink) on September 26, 2017, helped to improve coordination of care between primary care and behavioral health providers. Phase II of ccLink Implementation in 2018 will include community-based providers. The timeline and scope for Phase II is yet to be determined. Additionally, the Mental Health ACCESS line became integrated with Alcohol and Other Drugs services in summer 2017. The ACCESS line is now an integrated line, serving callers with both mental health and substance use needs. Callers are connected with appropriate mental health and substance use resources within the existing county-operated clinics as well as with community-based resources.

The county continues to engage in the Built for Zero campaign. Staff have attended national trainings and participated in the Learning Communities offered by Community Solutions.

To date, the county has decreased veteran homelessness by 47%. An additional 12 units of housing were funded in the homeless continuum of care for chronically homeless veterans with full occupancy to date.

Library

The 2017 Lunch at the Library program was very successful. The library served 5,273 lunches and snacks to children during the summer at nine (9) library locations.

Probation

The Probation Department has provided enhanced services to the Superior Court by collaborating in and assigning Deputy Probation Officer staff to the Mandatory Domestic Violence Court and the newly created Veterans' Court. Staff in both courts provide specialized supervision and service referrals to both populations who have specific individualized needs.

Public Defender

Proposition 57, passed by voter initiative, provides for a specialized hearing for juvenile cases for which the District Attorney requests a transfer to adult court. Previously, the District Attorney was permitted to file those cases directly in adult court without the need of a hearing. The hearing provided by Proposition 57 allows a judge to find that the juvenile's case should remain in juvenile court, which significantly changes the length of time that the juvenile may be incarcerated.

The Office of the Public Defender has thus far been able to manage those cases without the need of additional resources by spreading the cases out among existing staff. The number of new transfer hearing requests filed by the District Attorney will continue to be monitored.

Over the past year, in part through the expansion of the early representation program, some systemic problems with the processing of misdemeanor cases through the court system have been identified and

addressed. By identifying those issues, such as unnecessary delays between citation and case-filing, solutions for streamlining and improving the flow of cases have been identified.

Public Works

The Department identified several opportunities for transportation grants and were successful in generating approximately $8 million in additional funding in 2017. The Department efforts resulted in receiving almost $31 for every $1 of staff time. This exceeded the strategic goal of receiving a minimum of $4 for every $1 in staff time to prepare the applications.

The Department completed approximately thirty (30) county capital building projects in 2017. Those projects included deferred maintenance projects such as roofing, paving, utility line/infrastructure upgrade, landscaping, fire life & safety, American Disabilities Act (ADA) upgrades, mechanical upgrades, tenant improvement and demolition projects, and other projects.

The Department completed and celebrated the construction of four (4) East Bay Regional Park District Measure WW park projects with the unincorporated communities of Alamo, El Sobrante, San Pablo, and the Iron Horse Corridor.

Treasurer-Tax Collector

The Treasurer-Tax Collector's Office continued to promote the State Controller's Office recently reinstated Property Tax Postponement program for senior citizens and disabled or blind persons. The County again ranked as having one of the highest participant rates (105 applications) in the State with a 72% approval rate. For fiscal year 2017-2018, the program funded $237,596 on 75 parcels for qualified applicants.

The Office finalized a draft of a Standard Operating Procedures document for its positions including all tasks and duties. This final draft will be utilized in an upcoming evaluation and reorganization of the Office and used as a tool in preparation for a future Request for Proposal to replace the County's antiquated tax system.

To ensure a quorum at each of the quarterly Treasury Oversight Committee (TOC) meetings, the Office revised the TOC Bylaws to include an alternate for the following membership categories: 1) County Office of Education, 2) the Community College and School Districts, and 3) the Special Districts. The Board of Supervisors approved the revision and appointed three person to represent their respective category.

The Office worked on developing better customer service, both in person and online through the use of TargetSolution training. Regular staff meetings reviewed tips and reminders on how to best serve the public as refreshers from the training. Management worked closely with the Department of Information Technology to enhance the performance level of online services, particularly during peak times.

The Office designed and implemented a number of new policies, procedures, and agreements such as the *Withdrawal of Funds Policy and Procedures, Investment Operating Procedures and Internal Controls, Electronic Fund Transfer Policies and Procedures, Counterfeit Currency Handling Guidelines and Procedures,* and the *Voluntary Pool Participant Agreement.* The *Credit Evaluation and Approval Procedure* was revised to facilitate investment staff in conducting due diligence on security issuers. Other procedures were modified to address the increasing workload that comes with a growing Pool size. Assets under management exceeded

$3.5 billion for the first time in county history. For the tenth year in a row, the Treasury Investment Pool received Standard and Poor's highest fund credit rating of AAAf/S1+.

Veterans Service

The Department conducted 7,818 interviews, 67 field visits, and participated in 51 outreach events, which resulted in 2,738 claims being filed. Interviews conducted represent a 7.5% increase over last year's reported data. Expanding its hours of operation has resulted in increased service levels to Veterans: 22.5% increase for East County and 40% increase in West County. The Tri-Valley area also experienced a 32.5% increase due to growing public awareness.

The Department Claims are now being received by the Veterans Administration (VA) on the same day versus an average of five days in prior fiscal years. The implementation of the digital-to digital process has made the claims submittal process more efficient and reduced cost of services and supplies for Fiscal Year 2017-2018. For the fifth year, the Veterans Service Department received a perfect score from the California Department of Veterans Affairs audit, thereby preserving subvention funding.

Office of the County Administrator

The County Administrator's Office established the Office of Reentry and Justice (ORJ) as a pilot project of the County Administrator's Office to build on, align, and formalize a cohesive structure for the county's advancement of its public safety realignment, reentry, and justice initiatives. The ORJ oversees the Assembly Bill 109 funded Community Programs (which provide housing, job training, mentoring, and family reunification services for returning citizens and launched the Reentry Success Center and the Reentry Network of Services), the development of a countywide Ceasefire Program, the update of the county's Reentry Strategic Plan, the implementation of the county's Youth Justice Initiative, and the facilitation and data analysis services for the Racial Justice Task Force.

The County Budget has been structurally balanced for seven consecutive years. The county received the Government Finance Officers Association of the United States and Canada Distinguished Budget Presentation Award for each of those seven years.

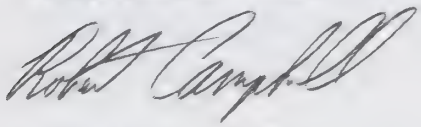
Office of the Auditor-Controller

The Office of the Auditor-Controller received the State Controller's "Award for Achieving Excellence in Financial Reporting." This award serves to recognize that the county submitted an accurate and timely financial report for the fiscal year ended June 30, 2017. The Office of the Auditor-Controller's reporting excellence helps the State Controller's Office publish accurate and useful local government financial data in the Counties Annual Report. Policymakers and other interested parties throughout California rely on the quality of this uniformly reported information.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Contra Costa County for its comprehensive annual financial report for the fiscal year ended June 30, 2017. This was the thirty-sixth consecutive year the county has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the entire staff of the Office of the Auditor-Controller. I would like to express my appreciation to all members of the Office who assisted and contributed to its preparation. I would also like to thank the members of the Board of Supervisors and the County Administrator for conducting the financial operations of the county in a responsible and progressive manner.

Respectfully submitted,



Robert R. Campbell
Auditor-Controller

COUNTY OF CONTRA COSTA

PUBLIC OFFICIALS

June 30, 2018

ELECTED OFFICIALS

Supervisor, District 1	John M. Gioia
Supervisor, District 2	Candace Andersen
Supervisor, District 3	Diane Burgis
Supervisor, District 4	Karen Mitchoff
Supervisor, District 5	Federal D. Glover
Assessor	Gus S. Kramer
Auditor-Controller	Robert R. Campbell
Clerk-Recorder	Joseph Canciamilla
District Attorney	Diana Becton
Sheriff-Coroner	David O. Livingston
Treasurer-Tax Collector	Russell V. Watts

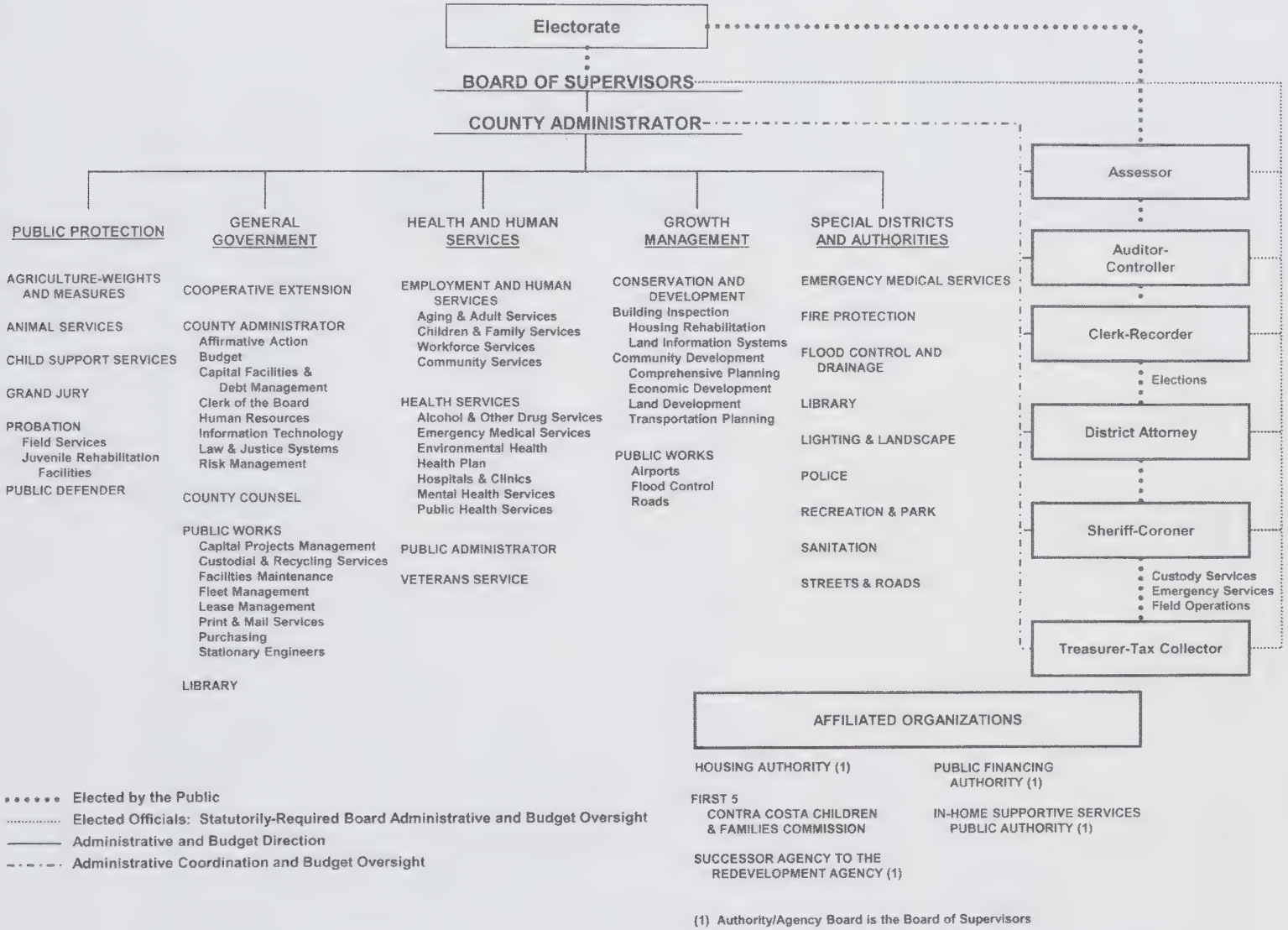
APPOINTED OFFICIALS

County Administrator	David Twa
County Counsel	Sharon Anderson
County Librarian	Melinda Cervantes
County Probation Officer	Todd Billeci
Director of Animal Services	Beth Ward
Director of Child Support Services	Melinda Self
Director of Conservation and Development	John Kopchik
Director of Cooperative Extension	Rob Bennaton
Director of Employment and Human Services	Kathy Gallagher
Director of Health Services-Public Administrator	Anna Roth, RN, MS, MPH
Director of Human Resources	Dianne Dinsmore
Director of Public Works	Brian M. Balbas
Agricultural Commissioner-Director of Weights and Measures (Interim)	Scott Paulsen
Chief Information Officer	Marc Shorr
Public Defender	Robin Lipetzky
County Veterans Service Officer	Nathan D. Johnson
Contra Costa County Fire Protection District	Chief Jeffrey A. Carman
Crockett-Carquinez Fire Protection District	Chief Jerry Littleton, Jr.

AFFILIATED ORGANIZATIONS

Executive Director, First 5 Contra Costa Children and Families Commission	Sean Casey
Executive Director, Housing Authority of the County of Contra Costa	Joseph Villarreal
Executive Director, County of Contra Costa Public Financing Authority	David Twa
Executive Director, Successor Agency to the Contra Costa County Redevelopment Agency	David Twa
Executive Director, In-Home Supportive Services Public Authority	Elizabeth Dondi

Organizational Chart of Contra Costa County



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

County of Contra Costa

California

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2017

Christopher P. Morrill

Executive Director/CEO

THE SEAL OF
CONTRA COSTA COUNTY CALIFORNIA

Financial Section

INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors of
the County of Contra Costa
Martinez, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Contra Costa, California (County), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the First 5 Contra Costa Children and Families Commission and the Housing Authority of the County of Contra Costa, which together comprises the entire aggregate discretely presented component units' opinion unit. Those statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as they relate to the amounts included for those entities, are based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County as of June 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of changes in the Net OPEB liability and related ratios, the annual money-weighted rate of return on OPEB assets, the schedule of proportionate share of the net pension liability, the schedule of pension contributions, and the budgetary comparison schedules of the General Fund and major special revenue fund, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the GASB, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section, the combining and individual fund statements and budgetary schedules, and the statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund statements and budgetary schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the reports of the other auditors, the combining and individual fund statements and budgetary schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 2018 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Macias Gini & O'Connell LLP

Walnut Creek, California
December 14, 2018

THE SEAL OF
CONTRA COSTA COUNTY CALIFORNIA

This section of the County of Contra Costa's Comprehensive Annual Financial Report presents a discussion and analysis of the financial activities of the county for the fiscal year ended June 30, 2018. We encourage readers to consider the information presented here in conjunction with additional information that we furnished in our Letter to the Board of Supervisors and Citizens of the County.

Financial Highlights

- At the close of fiscal year 2017-2018, the county's government-wide assets and deferred outflows of resources exceeded its liabilities and deferred inflows, which resulted in an increase of the county's total net position from the prior year to $530,089,000. The components of the county's total net position include an increase in net investment in capital assets to $875,643,000, an increase in restricted net position for specific purposes to $644,682,000, and a decrease to the deficit of the unrestricted net position, which is available to meet the ongoing obligation to its citizens and creditors, to $990,236,000. Continued application of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions-An Amendment of GASB Statement No. 27* and GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions* have contributed to the deficit of the county's unrestricted net position.

- As of June 30, 2018, the county's governmental funds reported in the fund financial statements ending fund balance of $1,142,427,000, an increase of 7.9% from the prior year. Of this total amount, $602,387,000 (52.7%), is available to meet the county's current and future needs.

- Available (committed, assigned, and unassigned) fund balance in the county's chief operating fund, the General Fund, was $456,215,000 at year end or 32.1% of its total expenditures for the year.

- As of June 30, 2018, the county's enterprise funds reported, in the fund financial statements ending net position of $31,283,000, an increase to net position of 184.7% from the prior year's deficit.

- Net position of the internal service funds was $12,937,000, an increase to net position of 78.5% from the prior year's net position.

- The county's total debt decreased by $156,382,000 (22.1%) during fiscal year 2017-2018.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the county's basic financial statements. The county's basic financial statements are comprised of three parts as follows: (1) **government-wide** financial statements; (2) **fund** financial statements; and (3) **notes** to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the county's finances in a manner similar to a private-sector business.

The **statement of net position** presents information on all of the county's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the net of assets and deferred outflows of resources less liabilities and deferred inflows of resources being reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the county is improving or deteriorating.

The **statement of activities** presents information showing how the county's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that only will result in cash flows in future fiscal periods, such as revenues pertaining to uncollected taxes and expenses pertaining to earned but unused vacation and sick leave.

Both of the government-wide financial statements distinguish functions of the county that principally are supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all, or a significant portion, of their costs through user fees and charges (business-type activities). The governmental activities of the county include general government, public protection, health and sanitation, public assistance, education, public ways and facilities, and recreation and culture. The business-type activities of the county include the County Hospital, Health Maintenance Organization (HMO) Medi-Cal Plan, HMO Commercial Plan, Airport, Sheriff Law Enforcement Training Center, and Major Risk Medical Insurance.

Fund Financial Statements

The fund financial statements report groupings of related accounts and are used to maintain control over resources that have been segregated for specific activities and objectives. The county, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the county can be divided into three categories as follows: (1) **governmental** funds; (2) **proprietary** funds; and (3) **fiduciary** funds.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of resources that are available for spending as well as on balances of resources that are available for spending at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Since the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the county's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The county maintains twenty five (25) individual governmental funds (e.g. general fund, special revenue funds, debt service funds, capital projects fund, and permanent fund) for reporting purposes. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and Contra Costa County Fire Protection

District Special Revenue Fund, which are considered to be major funds. Data from the other governmental funds is combined into a single, aggregated presentation. Individual fund data for each of those nonmajor governmental funds is provided in the form of combining statements and schedules elsewhere in this report.

The county adopts an annual appropriated budget for its General Fund. A budgetary comparison schedule has been provided for the General Fund to demonstrate compliance with this budget.

Proprietary funds used by the county are of two different types as follows: (1) enterprise funds; and (2) internal service funds. Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail.

- **Enterprise funds** are used to report the same functions presented as business-type activities in the government-wide financial statements. Information is presented separately in the enterprise funds sections of the proprietary fund statement of net position and in the proprietary fund statement of revenues, expenses, and changes in net position for the County Hospital Enterprise Fund and HMO Medi-Cal Plan, which are considered to be major funds. Data from the other enterprise funds are combined into a single, aggregated presentation. Individual fund data for each of those nonmajor enterprise funds is provided in the form of combining statements and schedules elsewhere in this report.

- **Internal service funds** are used to accumulate and allocate costs internally among the county's various functions. The county uses internal service funds to account for its administrative costs and payment of claims for its various insurance programs to protect county assets and employees. During fiscal year 2008–2009, an internal service fund for fleet services was established to account for the rental of motor vehicles to other departments and related costs. The internal service funds are allocated between the governmental functions and business-type activities in the government-wide financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

Fiduciary funds are used to account for resources held for the benefit of entities legally separate from the county and individuals, which are not part of the reporting entity. The Contra Costa County Other Employee Benefit Trust Fund, a county investment trust fund, the Successor Agency to the Contra Costa County Redevelopment Agency and other private-purpose trust funds, and agency funds are reported under fiduciary funds. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the county's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

Notes to the Basic Financial Statements

The notes to the basic financial statements provide additional information that is essential to fully understand the data provided in the government-wide and fund financial statements.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report presents certain required supplementary information concerning the county's major governmental funds budget and actual comparisons, schedule of changes in the net OPEB liability and related ratios, annual money-weighted rate of return on OPEB assets, and schedule of proportionate share of the net pension liability and schedule of pension contributions.

Combining Statements and Schedules

The combining statements and schedules referred to earlier in connection with nonmajor governmental funds, nonmajor enterprise funds, and internal service funds are presented immediately following the required supplementary information (other than MD&A).

Component Units

The blended component units, as described in Note 1.A in the "Notes to the Basic Financial Statements," are included in all three parts of the county's basic financial statements. The county and its blended component units constitute the primary government. In addition to the blended component units, the government-wide financial statements and the notes to the basic financial statements also include the discretely presented component units described in Note 1.A in the "Notes to the Basic Financial Statements."

GOVERNMENT-WIDE FINANCIAL ANALYSIS

COUNTY'S NET POSITION
June 30, 2018 and 2017
(In Thousands)

	Governmental Activities		Business-type Activities		Total		Increase/ (Decrease)
	2018	2017	2018	2017	2018	2017	Percent Change
Assets:							
Current and other assets	$ 1,602,179	1,483,278	493,171	650,042	2,095,350	2,133,320	(1.8) %
Capital assets	903,896	869,049	178,869	184,505	1,082,885	1,053,554	2.8
Total assets	2,506,075	2,352,327	672,160	834,547	3,178,235	3,186,874	(0.3) %
Deferred Outflows of Resources:							
Loss on refunding of debt	3,907	6,812	2,411	2,675	6,318	9,487	(33.4) %
Deferred pension outflows	120,719	276,084	46,275	102,580	166,994	378,664	(55.9)
Deferred OPEB outflows	14,235		2,537		16,932		
Total deferred outflows of resources	138,321	282,896	51,323	105,255	190,244	388,151	(51.0) %
Liabilities:							
Current and other liabilities	173,918	153,035	159,051	265,870	332,969	418,905	(20.5) %
Long-term liabilities	1,774,312	2,288,862	462,510	684,911	2,237,422	2,967,773	(25.3)
Total liabilities	1,948,230	2,441,897	621,561	950,781	2,570,391	3,386,678	(24.1) %
Deferred Inflows of Resources:							
Deferred pension inflows	182,373	75,688	64,870	24,183	247,243	99,851	147.6 %
Deferred OPEB inflows	34,407	3,934	6,349	726	40,756	4,660	774.6
Total deferred inflows of resources	216,780	79,622	71,219	24,909	287,999	104,511	175.6
Net Position (Deficit):							
Net investment in capital assets	793,751	751,853	81,892	77,853	875,643	829,706	5.5 %
Restricted	644,682	613,345			644,682	613,345	5.1
Unrestricted	(959,047)	(1,249,414)	(51,189)	(113,741)	(990,236)	(1,359,215)	27.1
Total net position (deficit)	$ 479,386	115,784	30,703	(35,888)	530,089	83,836	532.3 %

Analysis of Government-wide Net Position

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The county's total assets and deferred outflows of resources exceeded total liabilities and deferred inflows of resources for a net position of $530,089,000 at June 30, 2018. The largest portion of the county's total net position, $875,643,000 (165.2%), reflects its net investment in capital assets (e.g., land, infrastructure, buildings, machinery, software, and equipment, less any related debt used to acquire those assets). The county uses capital assets to provide services to citizens; consequently, those assets are not available for future spending. Although the county's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate those liabilities. An additional portion of the county's total net position, $644,682,000 (121.6%), represents resources that are subject to external restrictions on usage. The major restriction on net position, $540,901,000, is for legally segregated taxes, grants, and fees.

The remaining portion of the total net position is a deficit of $990,236,000 (186.8%) and is unrestricted. The unrestricted net position of governmental activities is a deficit of $939,047,000 and continues to be negative primarily due to the inclusion of the governmental activities share of the net pension liability of $453,265,000 and the net OPEB liability of $636,893,000.

The unrestricted net position of business-type activities is a deficit of $51,189,000 and continues to be negative primarily due to the inclusion of the business-type activities share of the net pension liability of $161,304,000 and the net OPEB liability of $25,624,000.

COUNTY'S CHANGE IN NET POSITION
For the Fiscal Years Ended June 30, 2018 and 2017
(In Thousands)

	Governmental Activities		Business-type Activities		Total		Increase/ (Decrease)
	2018	2017	2018	2017	2018	2017	Percent Change
Revenues:							
Program revenues:							
Charges for services	$ 416,107	400,131	1,500,864	1,402,526	1,916,971	1,802,657	6.3 %
Operating grants and contributions	823,519	812,454	18,388	20,597	841,907	833,051	1.1
Capital grants and contributions	14,434	17,845	14,102	7,180	28,536	25,025	14.0
General revenues:							
Taxes	595,331	567,632			595,331	567,632	4.9
Grants/contributions not restricted	20,070	16,963			20,070	16,963	18.3
Investment earnings	49,136	38,187	102		49,238	38,187	28.9
Other	10,153	17,504	580	969	10,733	18,473	(41.9)
Total revenues	1,928,750	1,870,716	1,534,036	1,431,272	3,462,786	3,301,988	4.9
Expenses:							
General government	137,681	129,516			137,681	129,516	6.3
Public protection	654,440	658,909			654,440	658,909	(0.7)
Health and sanitation	265,007	246,583			265,007	246,583	7.5
Public assistance	472,858	491,230			472,858	491,230	(3.7)
Education	26,418	27,308			26,418	27,308	(3.3)
Public ways and facilities	36,587	35,231			36,587	35,231	3.8
Recreation and culture	375	1,936			375	1,936	(80.6)
Interest on debt	23,987	32,663			23,987	32,663	(26.6)
County Hospital			570,463	543,039	570,463	543,039	5.1
Airport			4,897	4,893	4,897	4,893	0.1
Sheriff Law Enforcement Training Center			2,379	903	2,379	903	163.5
HMO Medi-Cal Plan			831,269	787,338	831,269	787,338	5.6
HMO Commercial			73,931	75,459	73,931	75,459	(2.0)
Maior Risk Medical Insurance			46		46		
Total expenses	1,617,353	1,623,376	1,482,985	1,411,632	3,100,338	3,035,008	2.2
Change in net position before transfers and Special Item	311,397	247,340	51,051	19,640	362,448	266,980	35.8
Special Item-proceeds transferred from RDA Successor Agency	83,805				83,805		
Transfers	(15,540)	(27,264)	15,540	27,264			
Change in net position	379,662	220,076	66,591	46,904	446,253	266,980	67.1
Net Position, Beginning of Year	119,724	75,256	(35,888)	(50,387)	83,836	24,869	237.1
Adjustments to beginning net position		(175,608)		(32,405)		(208,013)	(100.0)
Net Position (Deficit), Beginning of Year, as Restated	119,724	(100,352)	(35,888)	(82,792)	83,836	(183,144)	145.8
Net Position (Deficit), End of Year	$ 499,386	119,724	30,703	(35,888)	530,089	83,836	(532.3) %

Analysis of the Changes in Government-wide Net Position

As a result of current year activity, the county's net position increased by $446,253,000 during fiscal year 2017-2018. Governmental activities increased the county's net position by $379,662,000 and business-type activities increased the county's net position by $66,591,000. The changes are explained below in the governmental activities and business-type activities discussions.

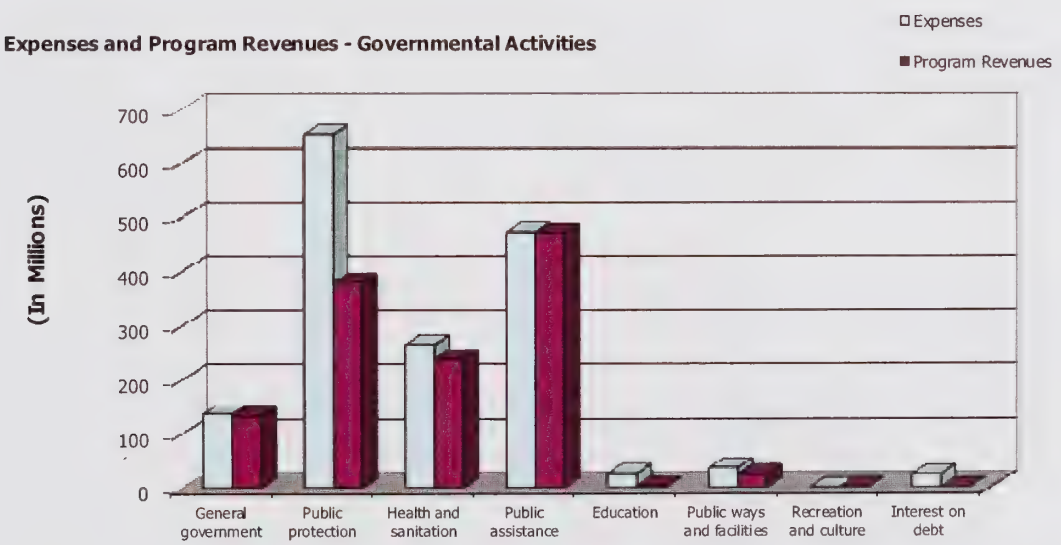
Governmental Activities

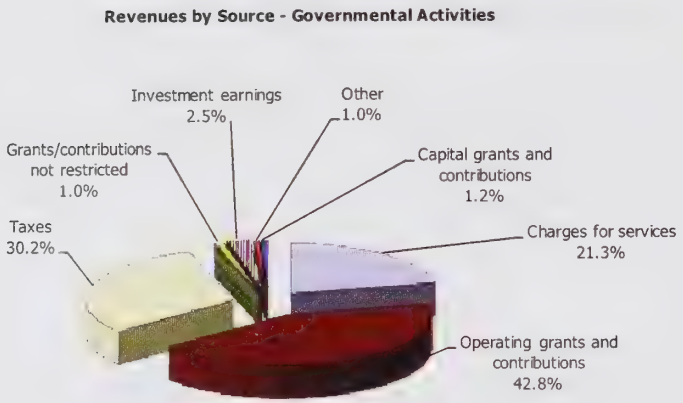
Current year governmental activities increased the county's net position by $379,662,000, which is more than the $220,076,000 increase in the prior year. The increase in net position primarily is due to an overall current year increase in revenues, most notably charges for services and taxes. Additionally, there was a special item of $83,805,000 related to the Successor Agency to the Redevelopment Agency refunding the Contra Costa County Public Financing Authority's tax allocation bonds.

Charges for services increased by $15,976,000 (4.0%) due mainly to an increase in Mental Health Services charges within Health and Sanitation for an increase in usage.

Taxes increased by $27,699,000 (4.9%) due mainly to an increase in the net assessed value of taxable property.

Expenses decreased by $8,676,000 (26.6%) in interest on debt due to the removal of the tax allocation bonds from the County's debt after the first scheduled 2017-2018 payment and there being no new bonds issued.

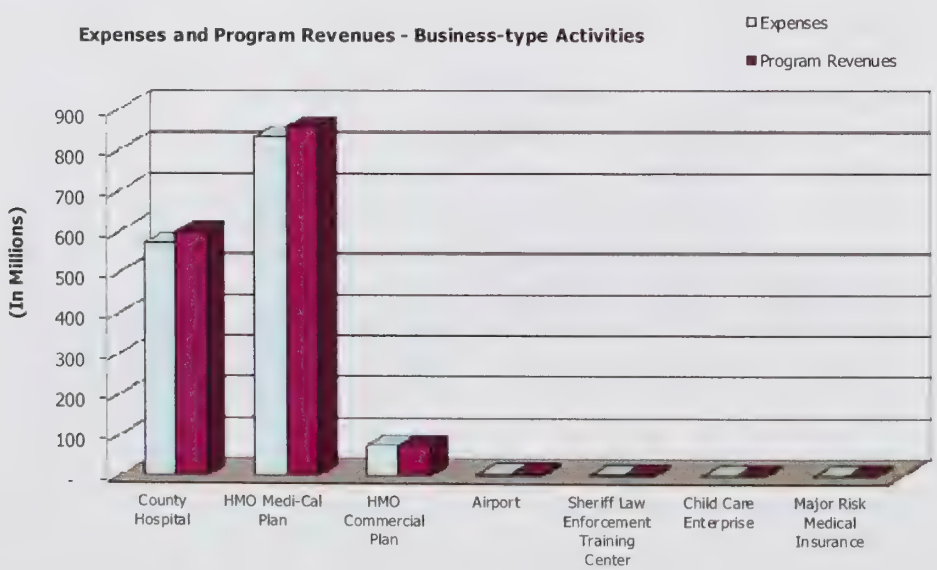




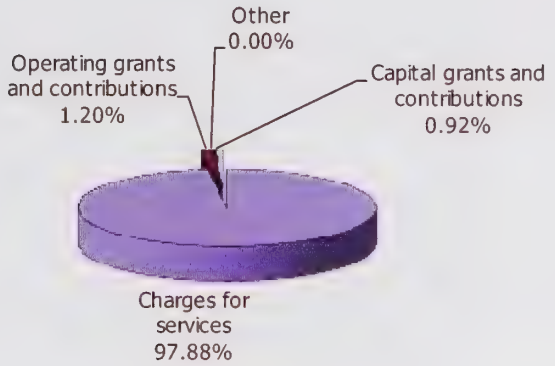
Business-type Activities

Overall, current year business type activities increased the county's net position by $66,591,000. Program revenues increased by $103,051,000 (7.2%). There were increases in charges for services within the HMO Medi-Cal Plan for increases in the amount of pass through revenues from the Department of Health Care Services (DHCS) and increases in Medi-Cal primary rates. Additionally, there were increases in Hospital revenues due to one-time Medi-Cal patient revenues and Public Hospital Redesign and Incentives (PRIME).

Expenses increased for HMO Medi-Cal Plan mainly due to an increase in payments to other agencies for pass through revenues from the Department of Health Care Services and an increase in SB78 Managed Care Organization tax.



Revenues by Source - Business-type Activities



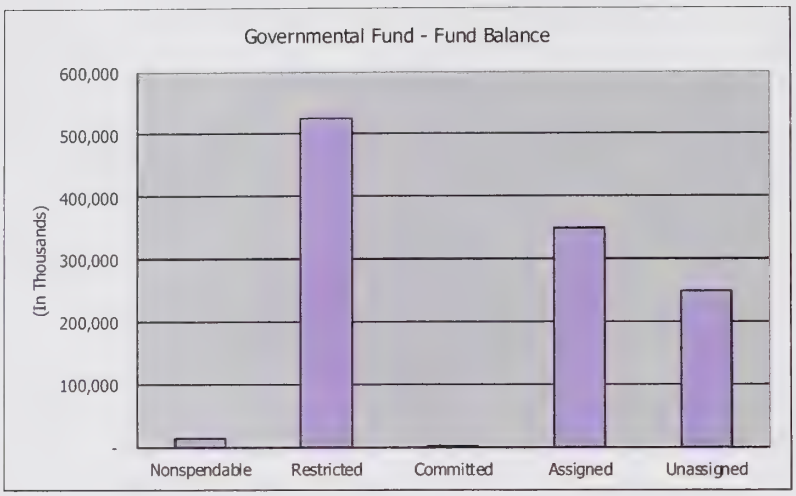
FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

The county uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The following is an analysis of the activities of the county's funds for fiscal year 2017-2018 as reported in the fund-basis financial statements.

Governmental Funds

The focus of the county's governmental funds is to provide information on near-term inflows, outflows, and balances of resources that are available for spending. Such information is useful to assess the county's financing requirements. In particular, unrestricted (committed, assigned, and unassigned) fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. Types of governmental funds reported by the county include the general, special revenue, debt service, capital projects, and permanent funds.

As of June 30, 2018, the county's governmental funds reported combined ending fund balances of $1,142,427,000, an increase of $84,026,000 in comparison with the prior year. Approximately $602,387,000 (52.7%) of those fund balances is available to meet the county's current and future needs. The remainder of the fund balances, $540,040,000 (47.3%), is either nonspendable or restricted for specific spending.



General Fund

The General Fund is the primary operating fund of the county. At June 30, 2018, the unrestricted fund balance was $456,215,000, an increase of $31,636,000 (7.5%) in comparison with the prior year, while total General Fund balance was $495,247,000, an increase of $54,934,000 (12.5%) in comparison with the prior year. As a measure of the General Fund's liquidity, both unrestricted fund balance and total fund balance can be compared to total fund expenditures. Unrestricted fund balance represents 32.1% of total General Fund expenditures, while total fund balance represents 34.8%. For the prior year, those figures were 31.4% and 32.6%, respectively.

General Fund revenues increased by $59,099,000 (4.0%), while expenditures increased by $70,733,000 (5.2%) in comparison with the prior year. Revenues exceeded expenditures by $109,059,000 (7.7%), in comparison with $120,693,000 in the prior year.

Revenues

Taxes increased by $18,740,000 (4.9%). This increase mainly was due to an increase in property taxes. There continued to be a rise in the assessed valuations of real property.

Other revenue increased by $15,375,000 (5.6%). The increase was mainly due to an increase in reimbursements for energy efficiency improvements in Plant Acquisition.

Charges for services increased by $10,867,000 (4.8%). The increase was mainly due to an increase in Mental Health Services charges within Health and Sanitation for an increase in usage.

Expenditures

General Government expenditures increased by $30,960,000 (17.0%). There were increases in Building Maintenance for building repairs and construction, Building Occupancy for various costs, and Plan Acquisition for projects, including the five year capital facilities plan.

Public Protection expenditures increased by $15,037,000 (3.7%). The most significant increase was in salaries and benefits for Sheriff mainly due to safety employees receiving a 5% wage increase.

Health and Sanitation expenditures increased by $31,550,000 (11.0%). The most significant increase was in Mental Health expenditures with an increase in payroll with the filling of vacancies, an increase in services with an increase in payments to contractors for expansion of new and existing programs, and an increase in interdepartmental charges by departments that provide services to Mental Health.

CCC Fire Protection District Special Revenue Fund

The CCC Fire Protection District Special Revenue Fund provides fire and emergency medical services to nine cities and certain unincorporated areas in the county. Fund balance increased by $14,826,000 (24.4%) during fiscal year 2017-2018.

Revenues increased by $7,792,000 (4.4%), while expenditures increased by $14,097,000 (8.8%). The revenue increase was mainly due to an increase in ad valorem property tax revenue due to a continued rise in the assessed valuation of real property within the District. Expenditures increased mainly due to safety employees receiving a 5% wage increase.

Nonmajor Funds

The fund balance for the nonmajor special revenue funds increased by $22,299,000 (5.1%) during fiscal year 2017-2018. Taxes increased by 8.0% and licenses, permits, and franchise fees increased by 7.0% while other revenue decreased by 16.8%. Expenditures increased by $20,206,000 (4.6%) mainly due to an increase in public ways and facilities (18.3%) for road improvement expenses including the Bus Shelter program, Parmead Area improvements, and San Pablo Road walkways.

Proprietary Funds

As mentioned earlier, the county's proprietary fund financial statements provide the same type of information found in the government-wide financial statements but in more detail.

Net position at June 30, 2018, was a deficit of $68,524,000 for the County Hospital Enterprise Fund. The net deficit of the County Hospital Enterprise fund decreased by $41,632,000 (37.8%). Operating income increased by $8,998,000 (156.3%) as compared to prior year. Charges for services increased by $33,890,000 (6.4%) due to increases in Medicare SSI, AB85 payments received, and final settlements.

Salaries and employee benefits increased by $16,446,000 (4.9%) in the County Hospital Enterprise Fund due to step increases for the nurses' union effective January 1, 2018, and June 1, 2018, and increases in full time employees. Services and supplies increased by $8,037,000 (4.3%) due to increases in pharmaceuticals and medical liability fees. Other charges increased by $868,000 (311.1%) due to increased Health Services bailout repayment amount in the current year.

Net position at June 30, 2018, was $69,236,000 for the HMO Medi-Cal Plan, and $30,571,000 for the nonmajor enterprise funds. Net position of the net HMO Medi-Cal Plan increased by $24,104,000. Operating income for the HMO Medi Cal Plan increased by $19,869,000 (376.4%). Salaries and Employee Benefits decreased by

$2,031,000 (8.8%) due to post retirment pension accounting for fiscal year 2017-2018. Other charges increased by $19,306,000 (12.9%) mainly due to increases in payments to other agencies based on payments received from the Department of Health Care Services. Charges for services revenue increased by 8.1% due to increases in the amount of pass through revenues from the Department of Health Care Services (DHCS) and increases in Medi-Cal primary rates.

Net position of the internal service funds was $12,937,000 at June 30, 2018. Net position for the Workers' Compensation Insurance Fire Protection Internal Service fund increased by $4,082,000 for the year, changing from a deficit net position to a positive net position of $1,110,000. Net position for the Workers' Compensation County General Internal Service fund increased by $1,883,000 decreasing the deficit net position balance to $15,932,000. The remaining internal service funds had an overall decrease of $276,000.

GENERAL FUND BUDGETARY HIGHLIGHTS

The county's final budget differs from the original budget in that it contains carry-forward appropriations for various programs and projects and supplemental appropriations approved during the fiscal year. Total budgeted revenues were increased by $220,000 (less than 0.1%) in the final budget. Actual revenues were less than final budgeted revenues by $31,308,000 (2.0%). Total budgeted expenditures increased by $25,209,000 (1.6%) in the final budget. Actual expenditures were less than final budgeted expenditures by $198,556,000 (12.4%). Significant factors impacting those changes were as follows:

Original Budget vs. Final Budget

Revenue Variances

- Intergovernmental budget increased primarily due to a new Early Head Start Child Care Partnership grant and the redirection of AB85 and 1991 Realignment revenues from Health Services and Mental Health accounts.

- Charges for services budget decreased primarily due to an adjustment based on the most current estimates for Alcohol and Other Drugs Services.

Expenditure Variances

- The Final Budget for General Government Plant Acquisition included an increase to appropriations for approved General Fund Plant Acquisition capital projects, including the West Contra Costa County Re-entry, Treatment, and Housing Facility Project.

- The Final Budget for Health and Sanitation–Public Health and Alcohol and Other Drugs Services decreased to reflect current estimates.

- The Final Budget for Public Assistance–Aging and Adult increased to reflect current estimates.

Final Budget vs. Actual Amounts

Revenue Variances

- Tax revenue, mainly property taxes, was higher than expected by $17,379,000.
- Intergovernmental revenue was lower than expected by $21,701,000. Various state aid, including state out of home care and state health miscellaneous, for Employment and Human Services Department-Aging and Adult Services was less than anticipated for 2017-2018. Additionally, federal aid for Community Services Bureau was less than anticipated.
- Other revenue was lower than expected by $25,443,000 primarily due to Employment and Human Services Department-Children and Family Services, Public Works, and Plant Acquisition other revenues being lower than anticipated.

Expenditure Variances

- General Government-Employee Benefits expenditures for Medicare Part D were less than budgeted.
- General Government-Facility Life Cycle Improvement Program (FLIP) expenditures for capital projects were less than budgeted due to projects being fully budgeted for at the beginning of the year and then taking longer than one year to complete. Planned expenditures have been re-encumbered in the next fiscal year.
- General Government-Plant Acquisition expenditures for capital projects, most notably the West County Detention Facility jail expansion, were less than budgeted due to the inclusion in the budget of amounts held for future use that roll over from year to year in addition to current projects getting budgeted fully in the initial year of the project and taking longer than one year to complete.
- Public Protection-Law and Justice Systems expenditures for services and supplies, mostly relating to Case Management System (CMS) and Justice Automated Warrant System (JAWS), were less than anticipated. Planned expenditures have been re-budgeted in the next fiscal year.

Capital Assets

Capital assets for the governmental and business-type activities are presented below to illustrate changes from the prior year:

COUNTY'S CHANGES IN CAPITAL ASSETS
(Net of Depreciation)
(In Thousands)

	Governmental activities		Business-type activities		Total		Increase/ (Decrease)
	2018	2017	2018	2017	2018	2017	Percent Change
Infrastructure	$ 428,524	432,798			428,524	432,798	(1.0) %
Land	68,246	68,250	16,368	16,368	84,614	84,618	-
Structures and improvements	238,206	212,426	144,213	145,385	382,419	357,811	6.9
Equipment	55,968	55,355	13,311	14,445	69,279	69,800	(0.7)
Intangibles	12,741	5,392		478	12,741	5,870	117.1
Construction in progress	100,211	94,828	5,097	7,829	105,308	102,657	2.6
Total	$ 903,896	869,049	178,989	184,505	1,082,885	1,053,554	2.8 %

The county's investment in capital assets for its governmental and business-type activities as of June 30, 2018, was $1,082,885,000 (net of accumulated depreciation). The investment in capital assets includes land, buildings and systems, improvements, machinery and equipment, software, park facilities, roads, highways, drainage systems, and bridges. The county's total investment in net capital assets for fiscal year 2017-2018 increased by 2.8% (a 4.0% increase for governmental activities and a 3.0% decrease for business-type activities). The county's capital acquisitions exceeded retirement of capital assets and depreciation expense.

The major activity of capital assets for governmental activities was:

Equipment	$11,294,000
Building and improvements	13,512,000
Construction in progress	50,701,000

Construction projects during the year included projects such as the new administration building, Marsh Creek Road bridge replacement, Canal Road bridge replacement, Balfour Road shoulder widening, and Byron Highway improvements. At June 30, 2018, the county had outstanding construction commitments of $124,369,000 for construction projects.

Specific changes in governmental and business-type activities are presented in Note 7, in the "Notes to the Basic Financial Statements."

Long-Term Debt

Long-term debt for the governmental and business-type activities is presented below to illustrate changes from the prior year:

COUNTY'S OUTSTANDING DEBT
Retirement Litigation Settlement, Capital Lease Obligations, Pension Obligation Bonds, Notes Payable, Other Bonds Payable, Lease Revenue Bonds, Tax Allocation Bonds and Special Assessment Debt
(In Thousands)

	Governmental activities		Business-type activities		Total		Increase/ (Decrease)
	2018	2017	2018	2017	2018	2017	Percent Change
Retirement litigation settlement	11,904	13,578			11,904	13,578	(12.3)
Capital lease obligations	19,185	17,594			19,185	17,594	9.0
Pension obligation bonds	221,130	261,370			221,130	261,370	(15.4)
Notes payable	735	876	841	963	1,576	1,839	(14.3)
Lease revenue bonds	175,067	193,425	116,637	127,720	291,704	321,145	(9.2)
Tax allocation bonds		86,100				86,100	(100.0)
Special assessment debt	4,380	4,635			4,380	4,635	(5.5)
Total	$ 432,401	577,578	117,478	128,683	549,879	706,261	(22.1) %

At June 30, 2018, the county had total long-term debt outstanding of $549,879,000. The county's legal debt limit was $9,819,456,000. During the year, the county's liabilities for long-term debt decreased by $156,382,000 (22.1%). Specific changes in governmental and business-type activities are presented in Note 10 in the "Notes to the Basic Financial Statements."

During the current year, the Successor Agency to the Contra Costa County Redevelopment Agency, a blended component unit and private purpose trust fund, undertook a significant long-term debt transaction that refunded the 1999, 2003 Series A, 2007 Series A, and 2007 Series B tax allocation bonds. The 2017 Tax Allocation Refunding Bonds are debt of the Successor Agency to the Contra Costa County Redevelopment Agency and are not debt of the Contra Costa County Public Financing Authority or Contra Costa County.

Refer also to the information on the Debt Management Policy in the Letter of Transmittal (page viii).

Credit Ratings

In December 2013, Standard and Poor's Ratings Service (S&P) upgraded the county's issuer credit rating (ICR) two notches from "AA" to "AAA", the highest possible credit rating, citing the county's strong financial management practices. In July 2015, S&P reaffirmed the county's "AAA" ICR citing very strong management, budget flexibility, and liquidity. In addition, S&P noted the county's location within the very strong Bay Area economy as key factors supporting the rating levels. In February 2018, S&P upgraded the County's pension obligation bond rating from "AA+" to "AAA" following application of updated creditworthiness criteria released by S&P in January 2018.

In October 2016, Moody's Investor Service (Moody's) upgraded the county's existing lease revenue bonds from "A1" to "Aa3" following a change in the methodology used by Moody's to rate the creditworthiness of U.S. state

and local governments.

The outlook on the county's credit ratings continued to be "stable" by both S&P and Moody's during fiscal year 2017-2018. As of this writing, the county's underlying long-term ratings are as follows:

Type of Issue	S&P	Moody's
Issuer rating/implied general obligation bond rating	AAA	Aa2
Pension obligation bonds	AAA	A1
Lease revenue bonds	AA+	Aa3

The county continues to evaluate and pursue refunding opportunities for its outstanding bond issuances; however, the county and the Successor Agency to the former Redevelopment Agency refunded the vast majority of eligible debt, taking advantage of historically low interest rates, saving taxpayers millions of dollars. The upgrades to the county's long-term issuer credit and underlying lease revenue bond ratings received over the past several years continue to create opportunities for more favorable interest rates and financing terms on both future debt issuances and refunding of current debt issuances. This is a critical component to addressing infrastructure maintenance and replacement objectives throughout the county.

KNOWN FACTS, DECISIONS, AND CONDITIONS THAT ARE EXPECTED TO HAVE A SIGNIFICANT EFFECT ON FINANCIAL POSITION OR RESULTS OF OPERATIONS NEXT YEAR

- Increase of countywide assessed valuation of 6.34% in fiscal year 2018-2019.
- Continuing to fund OPEB obligation at $20 million per year.
- Labor contracts with the Deputy Sheriff's Association will be open in fiscal year 2019-2020.
- General fund budget structurally balanced.
- All of the facts, decisions, and conditions listed above were considered in preparing the county's budget for fiscal year 2018-2019. The county budget assumed a growth in ad valorem property tax revenue of 5% at the time or preparation and adoption.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the county's finances for all those with an interest in the county's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the County Auditor-Controller, 625 Court Street, Room 103, Martinez, CA 94553-1282.

COUNTY OF CONTRA COSTA
STATEMENT OF NET POSITION
JUNE 30, 2018
(In Thousands)

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	First 5 Contra Costa Children and Families Commission	Housing Authority of the County of Contra Costa*
Assets:					
Cash and investments	$ 1,181,271	306,797	1,488,068	21,380	7,924
Receivables (net)	171,042	167,818	338,860	2,263	1,052
Inventories	3,661	5,067	8,728		
Internal balances	14,365	(14,365)			
Notes receivable	110,244		110,244	214	383
Prepaid items and deposits	10,821	8,348	19,169	135	315
Land held for resale	6,673		6,673		
Other noncurrent assets					153
Restricted assets:					
Restricted cash and investments	104,102	19,506	123,608		3,575
Capital assets:					
Nondepreciable	168,457	21,465	189,922	331	3,828
Depreciable, net	735,439	157,524	892,963	1,421	29,584
Total assets	2,506,075	672,160	3,178,235	25,744	46,814
Deferred Outflows of Resources:					
Loss on refunding of debt	3,907	2,411	6,318		
Deferred pension outflows	120,719	46,275	166,994	678	1,025
Deferred OPEB ouflows	14,295	2,637	16,932	31	468
Total deferred outflows of resources	138,921	51,323	190,244	709	1,493
Liabilities:					
Accounts payable and accrued liabilities	106,089	156,716	262,805	311	1,631
Accrued interest payable	3,710	396	4,106		45
Due to other agencies				50	
Welfare program advances	23,041		23,041		
Unearned revenue	41,078	1,939	43,017	674	246
Noncurrent liabilities:					
Due within one year	103,599	16,857	120,456	19	792
Due in more than one year	1,651,313	445,653	2,096,966	1,734	27,116
Total liabilities	1,928,830	621,561	2,550,391	2,788	29,830
Deferred Inflows of Resources:					
Deferred pension inflows	182,373	64,870	247,243	475	2,270
Deferred OPEB inflows	34,407	6,349	40,756	3	12
Total deferred inflows of resources	216,780	71,219	287,999	478	2,282
Net Position:					
Net investment in capital assets	793,751	81,892	875,643	1,752	18,655
Restricted for:					
Legally segregated taxes, grants and fees	540,901		540,901		
Tenant deposits					3,015
Debt service	101,979		101,979		
Permanent fund:					
Expendable portion	92		92		
Nonexpendable portion	1,710		1,710		
Total restricted net position	644,682		644,682		3,015
Unrestricted	(939,047)	(51,189)	(990,236)	21,435	(5,475)
Total net position	$ 499,386	30,703	530,089	23,187	16,195

* Housing Authority of the County of Contra Costa reported as of March 31, 2018.
See accompanying notes to the basic financial statements.

COUNTY OF CONTRA COSTA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(In Thousands)

Function/Program Activities:	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	$ 137,681	123,176	9,714	
Public protection	654,440	180,263	199,826	
Health and sanitation	265,007	99,433	140,499	
Public assistance	472,858	2,589	468,538	
Education	26,418	551	3,042	
Public ways and facilities	36,587	9,920	1,309	14,434
Recreation and culture	375	175	591	
Interest on debt	23,987			
Total governmental activities	1,617,353	416,107	823,519	14,434
Business-type activities:				
County Hospital	570,463	567,064	17,682	14,096
HMO Medi-Cal Plan	831,269	856,040		
HMO Commercial Plan	73,931	72,243		
Airport	4,897	4,467	429	6
Sheriff Law Enforcement Training Center	2,379	1,050	277	
Major Risk Medical Insurance	46			
Total business-type activities	1,482,985	1,500,864	18,388	14,102
Total primary government	$ 3,100,338	1,916,971	841,907	28,536
Component units:				
First 5 Contra Costa Children and Families Commission	$ 12,678		10,410	
Housing Authority of the County of Contra Costa	131,367	6,772	121,501	1,279
GENERAL REVENUES:				
Taxes:				
Property				
Sales				
Other				
Grants/contributions not restricted				
Investment earnings				
Other				
SPECIAL ITEM - Transfer of proceeds from Successor Agency to the Redevelopment Agency				
TRANSFERS				
Total general revenues and transfers				
Change in net position				
NET POSITION, BEGINNING OF YEAR, AS PREVIOUSLY REPORTED				
Restatement of beginning net position				
NET POSITION (DEFICIT), BEGINNING OF YEAR, AS RESTATED				
NET POSITION (DEFICIT), END OF YEAR				

* Housing Authority of the County of Contra Costa reported for the year ended March 31, 2018.
See accompanying notes to the basic financial statements.

Net (Expenses) Revenues and Changes in Net Position			Component Units	
Governmental Activities	Business-type Activities	Total	First 5 Contra Costa Children and Families Commission	Housing Authority of the County of Contra Costa*
(4,791)		(4,791)		
(274,351)		(274,351)		
(25,075)		(25,075)		
(1,731)		(1,731)		
(22,825)		(22,825)		
(10,924)		(10,924)		
391		391		
(23,987)		(23,987)		
(363,293)		(363,293)		
	28,379	28,379		
	24,771	24,771		
	(1,688)	(1,688)		
	5	5		
	(1,052)	(1,052)		
	(46)	(46)		
	50,369	50,369		
(363,293)	50,369	(312,924)		
			(2,268)	
				(1,815)
$ 566,460		566,460		
14,267		14,267		
14,604		14,604		
20,070		20,070		
49,136	102	49,238	365	15
10,153	580	10,733	62	2,373
83,805		83,805		
(15,540)	15,540			
742,955	16,222	759,177	427	2,388
379,662	66,591	446,253	(1,841)	573
119,724	(35,888)	83,836	25,357	18,449
			(329)	(2,827)
119,724	(35,888)	83,836	25,028	15,622
$ 499,386	30,703	530,089	23,187	16,195

COUNTY OF CONTRA COSTA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2018
(In Thousands)

	General	CCC Fire Protection District Special Revenue	Nonmajor	Total
Assets:				
Cash and investments	$ 355,443	86,256	563,812	1,005,511
Accounts receivable and accrued revenue (net)	125,584	1,295	41,359	168,238
Inventories	2,382	908		3,290
Due from other funds	140,142	590	4,811	145,543
Notes receivable	92,725		17,519	110,244
Prepaid items and deposits	6,615	674	2,839	10,128
Land held for resale			6,673	6,673
Restricted cash and investments	1,932		102,170	104,102
Total assets	$ 724,823	89,723	739,183	1,553,729
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable and accrued liabilities	$ 63,005	13,140	29,293	105,438
Due to other funds	13,984	863	116,343	131,190
Welfare program advances	23,041			23,041
Unearned revenue	36,821		4,257	41,078
Total liabilities	136,851	14,003	149,893	300,747
Deferred Inflows of Resources:				
Unavailable revenue	92,725	111	17,719	110,555
Total deferred inflows of resources	92,725	111	17,719	110,555
Fund Balances:				
Nonspendable	8,997	1,582	4,549	15,128
Restricted	30,035	14,270	480,607	524,912
Committed	1,398		342	1,740
Assigned	199,972	59,757	90,591	350,320
Unassigned	254,845		(4,518)	250,327
Total fund balances	495,247	75,609	571,571	1,142,427
Total liabilities, deferred inflows of resources, and fund balances	$ 724,823	89,723	739,183	1,553,729

See accompanying notes to the basic financial statements.

COUNTY OF CONTRA COSTA

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION

JUNE 30, 2018
(In Thousands)

Fund balances - total governmental funds (page 24)		$ 1,142,427
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds. (Net of internal service fund capital assets of $7,814)		896,082
Accrued revenue, which is not available soon enough to pay for the current period's expenditures, is deferred in the governmental funds.		311
Notes receivable are not available to pay current-period expenditures and, therefore, are deferred in the governmental funds.		110,244
Internal service funds are used by management to charge the costs of self insurance and fleet services to individual funds. The assets, deferred outflows, liabilities, and deferred inflows of these funds, except for the medical liability insurance fund, are included as governmental activities in the statement of net position.		13,517
Interest on long-term debt is recognized as it accrues, regardless of when it is due.		(3,710)
Insurance costs on bond issuance are not recognized as current expenditures and are amortized over the life of the bonds.		680
Loss on refunding of debt is recognized as a deferred outflow of resources		3,907
Deferred pension outflows represent a consumption of net position applicable to a future reporting period. (net of internal service fund balance of $433)		120,286
Deferred pension inflows represent an acquisition of net position applicable to a future reporting period. (net of internal service fund balance of $322)		(182,051)
Deferred OPEB outflows represent a consumption of net position applicable to a future reporting period. (net of internal service fund balance of $65)		14,230
Deferred OPEB inflows represent an acquisition of net position applicable to to a future reporting period. (net of internal service fund balance of $156)		(34,251)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the governmental funds.		
Lease revenue bonds	$ (175,067)	
Notes payable	(735)	
Special assessment bonds	(4,380)	
Pension obligation bonds	(221,130)	
Retirement litigation settlement	(11,904)	
Net pension liability (net of internal service fund balance of $845)	(452,420)	
Capital lease obligations	(19,185)	
Compensated absences (net of internal service fund balance of $81)	(53,407)	
Net OPEB liability (net of internal service fund balance of $626)	(636,267)	
Other noncurrent liabilities	(1,821)	
Premiums and discounts	(5,970)	(1,582,286)
Net position (deficit) of governmental activities (page 21)		$ 499,386

See accompanying notes to the basic financial statements.

COUNTY OF CONTRA COSTA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2018

(In Thousands)

	General	CCC Fire Protection District Special Revenue	Nonmajor	Total
Revenues:				
Taxes	$ 404,317	116,595	94,388	615,300
Licenses, permits and franchise fees	12,470		23,179	35,649
Fines, forfeitures and penalties	24,959	2	5,768	30,729
Use of money and property	11,007	2	35,234	46,243
Intergovernmental	552,539	4,867	280,547	837,953
Charges for services	235,014	59,126	55,591	349,731
Other revenue	290,926	4,662	48,629	344,217
Total revenues	1,531,232	185,254	543,336	2,259,822
Expenditures:				
Current:				
General government	212,603		13,125	225,728
Public protection	425,495	174,236	172,145	771,876
Health and sanitation	319,231		46,965	366,196
Public assistance	429,732		152,923	582,655
Education			28,522	28,522
Public ways and facilities	35,112		66,382	101,494
Recreation and culture			2,038	2,038
Debt service:				
Principal			146,627	146,627
Interest			23,655	23,655
Total expenditures	1,422,173	174,236	652,382	2,248,791
Excess (deficiency) of revenues over (under) expenditures	109,059	11,018	(109,046)	11,031
Other Financing Sources (Uses):				
Transfers in	3,501		54,955	58,456
Transfers out	(58,489)		(15,448)	(73,937)
Proceeds on issuance of debt transferred from RDA Successor Agency			83,805	83,805
Capital lease financing	863	3,808		4,671
Total other financing sources (uses)	(54,125)	3,808	123,312	72,995
Net change in fund balances	54,934	14,826	14,266	84,026
Fund Balances at Beginning of Year	440,313	60,783	557,305	1,058,401
Fund Balances at End of Year	$ 495,247	75,609	571,571	1,142,427

See accompanying notes to the basic financial statements.

COUNTY OF CONTRA COSTA

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES

FOR THE FISCAL YEAR ENDED JUNE 30, 2018

(In Thousands)

Net change in fund balances - total governmental funds (page 26)		$ 84,026
Amounts reported for governmental activities in the statement of activities are different because:		
Revenues that have not met revenue recognition criteria in the fund financial statements are recognized as revenue in the government-wide financial statements.		205
Governmental funds report capital asset acquisitions as either capital outlay or other current program expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Expenditures for capital assets	$ 81,405	
Less loss on disposal/retirement of capital assets	(68)	
Less current year depreciation	(45,626)	35,711
Long-term debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
Principal payments	146,627	
Principal payments-notes payable	141	
Capital lease payments	3,080	
Issuance of capital lease	(4,671)	
Issuance of noncurrent liabilities	(404)	
Expenditures made on other noncurrent liabilities	1,786	146,559
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Change in long-term compensated absences	(2,855)	
Changes to net pension liability and pension-related deferred outflows and inflows of resources do not require current financial resources and are only reported in the government-wide financial statements	97,378	
Changes to net OPEB liability and OPEB-related deferred outflows and inflows of resources do not require current financial resources and are only reported in the government-wide financial statements	9,987	
Amortization of insurance cost of bond issuance	(144)	
Amortization of premiums - lease revenue bonds	365	
Amortization of premiums and discounts - tax allocation bonds	1,293	
Amortization of premiums - special assessments	1	
Change in accrued interest payable	2,743	
Amortization of deferred loss on refunding	(2,907)	105,861
Internal service funds are used by management to charge the costs of self insurance and fleet services to individual funds. The net revenue of certain activities of the internal service funds is reported with governmental activities, except for the medical liability insurance fund.		7,300
Change in net position of governmental activities (page 23)		$ 379,662

See accompanying notes to the basic financial statements.

COUNTY OF CONTRA COSTA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2018
(In Thousands)

	Enterprise Funds				
	County Hospital	HMO Medi-Cal Plan	Nonmajor	Total	Internal Service
Assets and Deferred Outflows of Resources:					
Assets:					
Current assets:					
Cash and investments	$ 209,328	67,277	25,279	301,884	180,673
Accounts receivable and accrued revenue (net)	89,831	76,102	1,885	167,818	2,804
Inventories	5,036		31	5,067	371
Due from other funds	20,174	54,229	3,863	78,266	1,983
Prepaid items and deposits	7,938		410	8,348	13
Total current assets	332,307	197,608	31,468	561,383	185,844
Noncurrent assets:					
Restricted cash and investments	19,506			19,506	
Capital assets:					
Nondepreciable	9,775		11,690	21,465	135
Depreciable, net	150,701		6,823	157,524	7,679
Total noncurrent assets	179,982		18,513	198,495	7,814
Total assets	512,289	197,608	49,981	759,878	193,658
Deferred Outflows of Resources:					
Loss on refunding of debt	2,411			2,411	
Deferred pension outflows	40,661	4,964	650	46,275	433
Deferred OPEB outflows	2,501	125	11	2,637	65
Total deferred outflows of resources	45,573	5,089	661	51,323	498
Total Assets and Deferred Outflows of Resources	$ 557,862	202,697	50,642	811,201	194,156
Liabilities, Deferred Inflows of Resources, and Net Position (Deficit):					
Liabilities:					
Current liabilities:					
Accounts payable and accrued liabilities	$ 42,292	100,004	14,420	156,716	651
Accrued interest payable	396			396	
Due to other funds	73,673	16,569	2,354	92,596	2,006
Unearned revenue	100	619	1,220	1,939	
Current portion of long-term liabilities	14,747	116	16	14,879	32,250
Total current liabilities	131,208	117,308	18,010	266,526	34,907
Noncurrent liabilities:					
Compensated absences	19,129	1,047	147	20,323	73
Net pension liability	150,345	9,690	1,269	161,304	845
Net OPEB liability	24,299	1,215	110	25,624	626
Claims payable					144,290
Bonds and notes payable, net	106,403			106,403	
Landfill post closure	688			688	
Reserves for supplemental payments	127,831			127,831	
Total noncurrent liabilities	428,695	11,952	1,526	442,173	145,834
Total liabilities	559,903	129,260	19,536	708,699	180,741
Deferred Inflows of Resources:					
Deferred pension inflows	60,463	3,899	508	64,870	322
Deferred OPEB inflows	6,020	302	27	6,349	156
Total deferred inlows of resources	66,483	4,201	535	71,219	478
Net Position (Deficit):					
Net investment in capital assets	63,379		18,513	81,892	7,814
Unrestricted	(131,903)	69,236	12,058	(50,609)	5,123
Total net position (deficit)	(68,524)	69,236	30,571	31,283	12,937
Total Liabilities, Deferred Inflows of Resources, and Net Position (Deficit)	$ 557,862	202,697	50,642	811,201	194,156

Reconciliation of enterprise funds net position to business-type net position:	
Net position of enterprise funds	$ 31,283
Adjustment to reflect the consolidation of Medical Liability ISF activities related to enterprise funds.	(580)
Net position (deficit) of business-type activities (page 21)	$ 30,703

See accompanying notes to the basic financial statements.

COUNTY OF CONTRA COSTA

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

PROPRIETARY FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2018

(In Thousands)

	Enterprise Funds				
	County Hospital	HMO Medi-Cal Plan	Nonmajor	Total	Internal Service
Operating Revenues:					
Use of money and property	$ 2,294		6,521	8,815	
Charges for services	561,470	856,040	71,239	1,488,749	59,653
Other revenue			580	580	13,596
Total operating revenues	563,764	856,040	78,340	1,498,144	73,249
Operating Expenses:					
Salaries and employee benefits	352,485	21,092	3,740	377,317	1,829
Services and supplies	196,374	641,279	73,846	911,499	23,995
Benefit and claim expense					38,689
Other charges	1,147	168,521	2,152	171,820	1,131
Expense transfers			252	252	
Depreciation	10,518		1,185	11,703	2,585
Total operating expenses	560,524	830,892	81,175	1,472,591	68,229
Operating income (loss)	3,240	25,148	(2,835)	25,553	5,020
Nonoperating Revenues (Expenses):					
State and federal grants	17,682		706	18,388	
Investment income	41		61	102	626
Interest expense	(5,028)	(377)	(78)	(5,483)	
Total nonoperating revenues (expenses)	12,695	(377)	689	13,007	626
Income (loss) before capital contributions and transfers	15,935	24,771	(2,146)	38,560	5,646
Capital contributions	14,096		6	14,102	102
Transfers in	22,096		4,855	26,951	172
Transfers out	(10,495)	(667)	(249)	(11,411)	(231)
Change in net position	41,632	24,104	2,466	68,202	5,689
Total Net Position (Deficit) at Beginning of Year	(110,156)	45,132	28,105	(36,919)	7,248
Total Net Position (Deficit) at End of Year	$ (68,524)	69,236	30,571	31,283	12,937

Reconciliation of enterprise funds change in net position to statement of activities:		
Change in net position of enterprise funds.	$	68,202
Adjustment to reflect the Medical Liability ISF activities related to enterprise funds.		(1,611)
Change in net position of business-type activities (page 23)	$	66,591

See accompanying notes to the basic financial statements.

COUNTY OF CONTRA COSTA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(In Thousands)

	Enterprise Funds				
	County Hospital	HMO Medi-Cal Plan	Nonmajor	Total	Internal Service
Cash Flows from Operating Activities:					
Cash received from customers	$ 559,987	809,907	77,519	1,447,413	73,035
Cash received from other funds	73,485		824	74,309	
Cash retirements for supplemental payments	(75,925)			(75,925)	
Cash payment to other funds			(903)	(903)	(91)
Cash payment to suppliers for goods and services	(204,576)	(931,465)	(74,316)	(1,210,357)	(59,367)
Cash payment to employees for services	(378,319)	(24,490)	(3,742)	(406,551)	(2,172)
Net Cash Provided by (Used for) Operating Activities	(25,348)	(146,048)	(618)	(172,014)	11,405
Cash Flows from Noncapital Financing Activities:					
State and federal grants	17,682		706	18,388	
Transfers in	22,096		4,855	26,951	172
Transfers out	(10,495)	(667)	(249)	(11,411)	(231)
Net Cash Provided by (Used for) Noncapital Financing Activities	29,283	(667)	5,312	33,928	(59)
Cash Flows from Capital and Related Financing Activities:					
Capital contributions	14,096			14,096	102
Acquisition and construction of capital assets	(5,785)		(396)	(6,181)	(1,718)
Interest paid	(4,916)	(377)	(78)	(5,371)	
Reserve for supplemental payments	260			260	
Notes payable payment	(122)			(122)	
Change in fair value of investments					
Principal paid on debt	(11,083)			(11,083)	
Net Cash Provided by (Used for) Capital and Related Financing Activities	(7,550)	(377)	(474)	(8,401)	(1,616)
Cash Flows from Investing Activities:					
Interest received on investments	41		61	102	626
Change in fair value of investments			11	11	
Net Cash provided by Investing Activities	41		72	113	626
Net Increase (Decrease) in Cash and Cash Equivalents	(3,574)	(147,092)	4,292	(146,374)	10,356
Cash and Cash Equivalents at Beginning of Year	232,408	214,369	20,987	467,764	170,317
Cash and Cash Equivalents at End of Year	$ 228,834	67,277	25,279	321,390	180,673
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:					
Operating income (loss)	$ 3,240	25,148	(2,835)	25,553	5,020
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:					
Depreciation and amortization	10,518		1,185	11,703	2,585
Changes in operating assets and liabilities:					
Decrease (increase) in:					
Accounts receivable and accrued revenue, net	(3,777)	7,371	1,305	4,899	(225)
Inventories	(866)		(10)	(876)	82
Due from other funds	7,555	(53,504)	(2,714)	(48,663)	(532)
Prepaid items and deposits	351		36	387	61
Deferred OPEB outflows	(2,501)	(125)	(11)	(2,637)	(65)
Deferred pension outflows	55,433	976	(104)	56,305	54
Increase (decrease) in:					
Accounts payable and accrued liabilities	210	(109,455)	1,794	(107,451)	15
Fair market value of cash and equivalents			(11)	(11)	
Claims payable					4,343
Due to other funds	65,930	(11,767)	(24)	54,139	391
Deferred inflows of resources	43,142	2,764	404	46,310	207
Net pension liability	(125,756)	(7,374)	(301)	(133,431)	(555)
Net OPEB liability	(4,586)	(231)	(21)	(4,838)	19
Unearned revenue			658	658	
Supplemental payments	(75,925)			(75,925)	
Compensated absences	1,684	149	31	1,864	5
Net Cash Provided by (Used for) Operating Activities	$ (25,348)	(146,048)	(618)	(172,014)	11,405

See accompanying notes to the basic financial statements.

COUNTY OF CONTRA COSTA

STATEMENT OF FIDUCIARY NET POSITION

FIDUCIARY FUNDS

JUNE 30, 2018

(In Thousands)

	Other Employee Benefit Trust	Investment Trust	Private-Purpose Trust Funds	Agency
Assets:				
Cash and investments	$ 17,445	2,132,523	33,664	186,694
Investments in OPEB trust:				
Large cap equities	46,504			
Mid cap equities	14,417			
Small cap equities	26,089			
International equities	27,754			
Global equities	19,791			
Real estate	7,290			
Fixed income	92,563			
Alternative investments	17,817			
Receivables		4,800	84	41,549
Notes receivable, net			25	
Due from other governments				6,397
Taxes receivable				167,331
Prepaid items and deposits			530	
Restricted cash and investments			882	
Total assets	269,670	2,137,323	35,185	401,971
Deferred Outflows of Resources:				
Loss on refunding of debt			3,259	
Total deferred outflows of resources			3,259	
Liabilities:				
Warrants outstanding		83,002		43,730
Accounts payable and accrued liabilities		953	60	63,612
Due to other governments			263	24,730
Unapportioned taxes				133,746
Tax loss guarantees				62,091
Accrued interest payable			509	
Noncurrent liabilities:				
Due within one year			2,805	
Due in more than one year			79,337	
Due to other agencies and districts				74,062
Total liabilities		83,955	82,974	401,971
Net Position:				
Restricted for:				
Other postemployment benefits	269,670			
Participation in individually directed investment accounts		2,053,368		
Held in trust for redevelopment other purposes			30,877	
Unrestricted deficit			(75,407)	
Total net position (deficit)	$ 269,670	2,053,368	(44,530)	

COUNTY OF CONTRA COSTA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

FIDUCIARY FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2018

(In Thousands)

	Other Employee Benefit Trust	Investment Trust	Private-Purpose Trust Funds
Additions:			
Employer contributions	$ 76,990		
Plan member contributions	14,711		
Contributions to investment accounts		3,928,120	
Other revenue			23,340
Net investment income (loss)	13,354	(4,528)	21
Property tax distribution			5,683
Total additions	105,055	3,923,592	29,044
Deductions:			
Benefits paid	70,601		
Distribution from investment accounts		3,845,350	
Administrative and other expenses			1,363
Interest expense			1,020
Other			27,434
Project expenses			102
Financial assistance payments			1,428
Total deductions	70,601	3,845,350	31,347
Change in net position	34,454	78,242	(2,303)
Net Position (Deficit) at Beginning of Year	235,216	1,975,126	(42,227)
Net Position (Deficit) at End of Year	$ 269,670	2,053,368	(44,530)

See accompanying notes to the basic financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the County of Contra Costa (county) conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental entities. The following is a summary of the more significant policies:

A. Definition of Reporting Entity

The county is a political subdivision created by the state of California. As such, it can exercise powers specified by the constitution and statutes of the state. The county is governed by a five member elected Board of Supervisors (the Board). The Board is responsible for the legislative and executive control of the county. The county provides various services on a countywide basis including law and justice, education, detention, social, health, hospital, fire protection, road construction, road maintenance, transportation, park and recreation facilities, elections and records, communications, planning, zoning, and tax collection.

The governmental reporting entity consists of the county (primary government) and its component units. Component units are legally separate organizations for which the Board is financially accountable or other organizations whose nature and relationship with the county are such that exclusion would cause the county's financial statements to be misleading or incomplete. Financial accountability is defined as the appointment of a voting majority of the component unit's board, and either (i) the county's ability to impose its will on the organization or (ii) there is potential for the organization to provide a financial benefit to or impose a financial burden on the county.

The basic financial statements include both blended and discretely presented component units. The blended component units, although legally separate entities are, in substance, part of the county's operations and so data from these units are combined with data of the primary government. The discretely presented component units, on the other hand, are reported in separate columns in the government-wide financial statements.

For financial reporting purposes, the county's basic financial statements include all financial activities that are controlled by or are dependent upon actions taken by the county's Board.

Blended Component Units

Successor Agency to the Contra Costa County Redevelopment Agency

Pursuant to the provisions of California Assembly Bills 1X 26 and 1484, the Successor Agency to the Contra Costa County Redevelopment Agency (Successor Agency to the RDA) was created with the transfer of all of the assets, liabilities, and obligations of the former redevelopment agency. The Successor Agency to the RDA accounts for the payments due for enforceable obligations, performance of obligations, and disposal of all assets of the former redevelopment agency. The Successor Agency to the RDA activities are included as a Private-Purpose Trust fund.

County of Contra Costa Public Financing Authority

The County of Contra Costa Public Financing Authority (PFA) is a joint powers authority consisting of the county and the Contra Costa County Flood Control and Water Conservation District. The PFA was established to provide for the financing of public improvements, obligations, working capital and liability or other insurance programs. The members of the county Board of Supervisors also serve as the Directors of the PFA. The activities of the PFA are included in a debt service fund, which is reported as part of the nonmajor governmental funds, and in the County Hospital Enterprise Fund.

In-Home Supportive Services Public Authority

The Contra Costa County Board of Supervisors, pursuant to Welfare and Institutions Code Section 12301.6, established the In-Home Supportive Services Public Authority (IHSS). IHSS provides screening, training and referral of in-home supportive service providers and assists eligible individuals, who are unable to care for themselves at home, in finding qualified persons to assist them. Its board members are the same as the county Board of Supervisors and management of the primary government has operational responsibility for the component unit. The activities of the IHSS are included in a special revenue fund which is reported as part of the nonmajor governmental funds.

Special Districts and Service Areas

The county has 36 agencies referred to as county special districts and service areas. Each is established by the county for the purpose of providing specific services in a defined geographic area. Their board members are the same as the county Board of Supervisors and management of the primary government has operational responsibility for the component units. The 36 agencies and the special revenue fund in which each is included are: Contra Costa County Fire Protection District; Other Fire Protection – Crockett-Carquinez Fire Protection District; Flood Control - Flood Control District, Storm Drainage District, Storm Drain District No. Z-19; Service Areas - Service Areas D-2, EM-1, L-100, LIB-2, LIB-10, LIB-12, LIB-13, M-1, M-16, M-17, M-20, M-23, M-28, M-29, M-30, M-31, R-4, R-7A, R-9, R-10, RD-4, Public Transit-Service Area T1, CFD 2006-1, CFD 2008-1, CFD 2010-1, and Discovery Bay West Parking District; Law Enforcement - Service Special Areas Crockett Cogeneration (formerly P-1), P-2 (zones A and B), P-5 and P-6; and Other Special Revenue - Contra Costa County Water Agency. These special revenue funds are reported as nonmajor governmental funds, with the exception of the Contra Costa County Fire Protection District, which is reported as a major governmental fund.

Discretely Presented Component Units

First 5 Contra Costa Children and Families Commission

The First 5 Contra Costa Children and Families Commission (Commission) was established to implement the provisions of Proposition 10, adopted by the voters in 1998. Proposition 10 added Division 108 (commencing with Section 130100) to the California Health and Safety Code. It provides for a state tax on the sale of tobacco products and also provides that this revenue be spent for early childhood development programs by the Commission. The county Board of Supervisors originally appointed all nine members (and nine alternate members) of the Commission. One member of the Board of Supervisors serves on the Commission. While the Board of Supervisors is able to impose its will, the Commission

does not meet the criteria for blending: i) the primary government has no management responsibility; ii) the Commission's services aren't exclusive or almost exclusive to the county; and iii) the Commission's debt outstanding is not expected to be repaid with resources of the county. The Commission hires its own employees, including an Executive Director, and functions independent of the county. The Commission provides most of its services directly to the citizens of the county. The financial activity of the Commission is reported in separate columns on the government-wide financial statements.

Housing Authority of the County of Contra Costa

The Housing Authority of the County of Contra Costa (Housing Authority) was established to provide housing for the county's low and moderate income residents. The Housing Authority's board members are the same as the county Board of Supervisors. While the county Board of Supervisors is able to impose its will, the Housing Authority does not meet the criteria for blending: i) there is no financial burden or benefit relationship with the county nor does management of the county have operational responsibility over it; ii) the Housing Authority does not provide services entirely or almost entirely to the county; and iii) the Housing Authority's total debt outstanding is not expected to be repaid with resources of the county. The fiscal year of the Housing Authority ends on March 31st and its financial activities are reported as of that date. The Housing Authority has two discretely presented component units that have been blended with the Housing Authority in this report. The discretely presented component units have fiscal year ends of December 31. Their financial statements have been adjusted to March 31 for inclusion in the Housing Authority statements.

Separately Issued Financial Statements

Complete audited financial statements are issued separately for each of the individual component units listed below and may be obtained at the unit's administrative offices as follows:

County of Contra Costa Public Financing Authority
651 Pine Street, 6th Floor, Martinez, CA 94553

First 5 Contra Costa Children and Families Commission
1485 Civic Court, Suite 1200, Concord CA 94520

Housing Authority of the County of Contra Costa
3133 Estudillo Street, Martinez, CA 94553

B. Accounting Pronouncements

Pronouncements Implemented During the Year

The county adopted new accounting standards in order to conform to the following Governmental Accounting Standards Board (GASB) Statements:

GASB Statement No. 81, *Irrevocable Split-Interest Agreements*, will improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. The requirements of this statement enhance the comparability of financial statements by providing accounting and financial reporting guidance for irrevocable split-interest agreements in which a government is a beneficiary. There was no financial statement impact as a result of the implementation of the Statement.

GASB Statement No. 85, *Omnibus 2017*, addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and OPEB). The requirements of this Statement will enhance consistency in the application of accounting and financial reporting requirements. Consistent reporting will improve the usefulness of information for users of state and local government financial statements. There was no financial statement impact as a result of the implementation of the Statement.

GASB Statement No. 86, *Certain Debt Extinguishment Issues*, will improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources-resources other than the proceeds of refunding the debt-are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement will also improve accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statement for debt that is defeased in substance. There was no financial statement impact as a result of the implementation of the Statement.

Pronouncements to be Implemented in Subsequent Years

GASB Statement No. 83, *Certain Asset Retirement Obligations*, establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for certain asset retirement obligations (AROs). This Statement requires that recognition occur when the liability is both incurred and reasonably estimable. The determination of when the liability is incurred should be based on the occurrence of external laws, regulations, contracts, or court judgments, together with occurrence of an internal event that obligates a government to perform asset retirement activities. This statement will enhance comparability of financial statements among governments by establishing uniform criteria for governments to recognize and measure certain AROs, including obligations that may not have been previously reported. This Statement will also enhance the decision usefulness of the information provided to financial statement users by requiring disclosures related to those AROs. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018.

GASB Statement No. 84, *Fiduciary Activities*, establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. The requirements of this Statement will enhance consistency and comparability by (1) establishing specific criteria for identifying activities that should be reported as fiduciary activities and (2) clarifying whether and how business-type activities should report their fiduciary activities. Greater consistency and comparability enhances the value provided by the information reported in financial statements for assessing government accountability and stewardship. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018.

GASB Statement No. 87, *Leases*, increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and

consistency of information about governments' leasing activities. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019.

GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements,* will improve the information that is disclosed in notes to government financial statements related to debt for situations in which direct borrowings and direct placements are involved. It also clarifies which liabilities governments should include when disclosing information related to debt. Information about resources to liquidate debt and the risks associated with changes in terms associated with debt will be disclosed. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018.

GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period,* will (1) enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) simplify accounting for interest cost incurred before the end of a construction period. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019.

GASB Statement No. 90, *Majority Equity Interests, an amendment of GASB Statement No. 14 and No. 61,* will improve consistency in the measurement and comparability of the financial statement presentation of majority equity interests in legally separate organizations. This statement also provides guidance for reporting a component unit if a government acquires a 100 percent equity interest in that component unit. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018.

C. Basis of Presentation

Government-wide Financial Statements

GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, mandates the presentation of two basic government-wide financial statements, the *Statement of Net Position* and the *Statement of Activities*. The statement of net position and statement of activities display information about the primary government (the county) and its component units. The statement of net position and statement of activities include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities, except for charges for services (exchange transactions) between activities and functions. The statement of net position and statement of activities also distinguish between the *governmental* and *business-type activities* of the county and between the county and its discretely presented component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely, to a significant extent, on fees charged to external parties.

For presentation in the statement of net position and statement of activities, all of the internal service fund account balances are allocated to governmental activities except for the medical liability insurance fund which is allocated to business-type activities.

The statement of net position reports the county's financial and capital resources, including infrastructure, as well as the county's long-term obligations. The difference between the county's assets and deferred outflows of resources, and liabilities and deferred inflows of resources, is its net position.

Net position represents the resources that the county has available for uses in providing services after its debts are settled.

The statement of activities presents a comparison between direct and allocated indirect expenses and program revenues for each function of the governmental activities and each segment of the business-type activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include 1) charges paid by the recipients of goods or services offered by the programs, including fines and forfeitures, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

When an expense is incurred for purposes for which both restricted and unrestricted net position is available, management has discretion as to which resources to apply. Generally, restricted resources are depleted before unrestricted; however, when prudent, unrestricted resources may be used first.

Fund Financial Statements

The fund financial statements provide information about the county's funds, including fiduciary funds and blended component units. Separate statements for each fund category – governmental, proprietary, and fiduciary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are separately aggregated and reported as nonmajor funds.

The county reports the following as major governmental funds:

- The *General Fund* is used to account for and report all financial resources not accounted for and reported in another fund. In addition to general administration, the General Fund includes such activities as public protection, health and sanitation, public assistance, and public ways and facilities.

- The *Contra Costa County Fire Protection District (CCCFPD) Special Revenue Fund* accounts for the financial aspect of the fire and emergency medical service activities provided by CCCFPD to nine cities and certain unincorporated areas in the county. As requested by interested parties, the CCCFPD's financial activities have been separated from those of the county's other fire protection districts and are reported as a major fund. The fund is principally financed by property taxes and charges for services such as ambulance service, fire prevention plan review, and inspections.

The county reports the following as major enterprise funds:

- The *County Hospital* accounts for hospital operations involved in providing health services to county residents. Revenues are principally fees for patient services, payments from federal and state programs such as Medicare, Medi-Cal and Short-Doyle, realignment revenues, and subsidies from the General Fund.

- The *HMO Medi-Cal Plan's* revenues and expenses are capitation payments and costs related to Medi-Cal eligibles enrolled in the Medi-Cal Plan.

The county reports the following additional funds:

- *Internal Service Funds* account for the county's fleet services and self-insurance programs – employee dental insurance, long-term disability insurance, workers' compensation insurance, automotive liability insurance, general liability insurance, state unemployment insurance, medical liability insurance, and special district property insurance, on a cost-reimbursement basis.

- *Other Employee Benefit Trust Fund* accounts for assets held in trust to pay post-employment health benefits. The trust, which consists of assets contributed by the county (and other participating employers), is administered by the financial officials typically responsible for safeguarding the county's assets. The Trustee shall separately account for all contributions, distributions, payments, expenses, gains and losses attributable to the county and each other employer that participates in the trust.

- The *Investment Trust Fund* accounts for the assets of legally separate entities who make directed investments through the County Treasurer. These entities include school and community college districts, other special districts governed by local boards, regional boards and authorities and pass-through funds for tax collections for cities. This fund is an external investment pool representing the assets, primarily cash and investments, and the related obligation of the county to disburse these monies on demand.

- The *Private-Purpose Trust Funds* account for assets held in trust for the benefit of individuals, private organizations, and other governments. Included in these funds are assets, liabilities, and activities of the Successor Agency to the Contra Costa County Redevelopment Agency.

- *Agency Funds* account for assets pending transfer or distribution to individuals, private organizations or other governmental entities held by the county in an agency capacity. Included in these funds are the Unapportioned Taxes Fund and the Tax Losses Reserve Fund, which provide controls necessary for the county to manage property taxes under the Teeter Plan (see section L of this note).

D. Basis of Accounting

The government-wide financial statements, and proprietary and fiduciary, excluding agency, fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the county is giving (or receiving) value without directly receiving (or giving) equal value in exchange, include property and sales taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenues from sales tax are recognized when the underlying transactions take place. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

Agency funds are unlike all other types of funds, reporting only assets and liabilities. So agency funds cannot be said to have a measurement of focus. Since they do not report equity, they cannot present an operating statement reporting changes in equity. They do, however, use the accrual basis of accounting to recognize receivables and payables.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. Expenses not meeting this definition are reported as nonoperating expenses.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Property and sales taxes are accrued when their receipt occurs within sixty days after the end of the accounting period. All other revenues are accrued if they are both measurable and available within sixty days, except for certain reimbursements related to health care from the state of California and certain state and federal grants which are accrued when their receipt is expected within one year after the end of the accounting period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. Debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are generally recorded when payment is due. However, where resources have been provided during the current year for payment of interest due early in the following year, the expenditure and related liability are accrued. General capital assets acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and capital leases are reported as other financing sources.

E. Cash and Cash Equivalents

For purposes of the accompanying statement of cash flows, the enterprise and internal service funds consider all highly liquid investments with a maturity of three months or less when purchased, their equity in the County Treasurer's investment pool, and cash restricted for repayment of debt or as reserves to be cash equivalents. The County Treasurer's investment pool includes certain investments with longer maturities; however, each fund's equity in the pooled funds are considered readily available for immediate use and therefore included with cash equivalents.

F. Investments

The county records investment transactions on the trade date. Investments are reported at fair value. The county measures its investments at fair value and categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is a market-based measurement, using observable market transactions or available market information. The county adjusts the carrying value of its investments to reflect their fair value at each fiscal year end, and it includes the effects of these adjustments in income for that fiscal year. Investment income is allocated among funds on the basis of

year-end fund balances in these funds. Investment income from cash and investments with trustees is credited directly to the related fund.

The public school, cemetery, pest control, recreation and park, and resource conservation districts within the county are required by legal provisions to maintain their cash and investments with the County Treasurer. The County Treasurer maintains individual directed investment accounts for those districts, and the cash and investments held are included in the Investment Trust Fund.

G. Inventories and Prepaid Items

Inventories are valued at cost, which approximates market. Governmental fund inventories and the County Hospital's Pharmacy inventories are maintained using the weighted average method. Proprietary fund inventories, with the exception of the County Hospital's Pharmacy inventories, are maintained using the first-in, first-out method. The costs of governmental fund inventories and proprietary fund inventories are recorded as expenditures/expenses at the time individual items are consumed rather than when purchased. Reported inventories of governmental funds are equally offset as nonspendable fund balance to indicate that a portion of fund balance is not in spendable form in that it is not convertible to cash.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The county utilizes the consumption method to account for those prepayments.

H. Notes Receivable

Generally loans are either deferred or collected on a residual receipts basis with all remaining principal and interest due on the earlier of the due date of the note or sale or transfer of property. As such, notes receivable are recorded with an offset to deferred inflows of resources in the fund financial statements because the amounts are unavailable. For federal source loans, any repayment of principal or interest is treated as program revenue, the use of which is restricted by federal regulations. The notes receivable balances in the General Fund consist of loans made with funds provided to the county under the U.S. Department of Housing and Urban Development programs. The loans are made to carry out activities for affordable housing and economic development.

I. Restricted Assets

The county's restricted assets represent cash and investments of the General Fund, County Hospital Enterprise Fund, Successor Agency to the Contra Costa County Redevelopment Agency, certain nonmajor governmental funds, and discretely presented component unit – Housing Authority, which are restricted for debt repayments in accordance with restrictions and limitations of the various bond indentures and other legal or grantor restrictions. All of the noted cash and investments are included in Note 4 – Cash and Investments.

J. Capital Assets

Capital assets (including infrastructure and intangibles) are recorded at historical cost or at estimated historical cost if actual historical cost is not available. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition

value rather than fair value. Capital assets include public domain (infrastructure) consisting of certain improvements including roads, bridges, water/sewer, lighting systems, drainage systems, and flood control. The capitalization threshold for infrastructure is $25,000. The capitalization threshold for buildings is $100,000. The capitalization threshold for equipment and vehicles is $5,000. Many different types of assets may be considered intangible assets, including easements, water rights, timber rights, patents, trademarks, and computer software. The capitalization threshold for intangible assets acquired after June 30, 2009, excluding internally developed intangibles, is $100,000. The capitalization threshold for internally developed intangible assets acquired after June 30, 2009, and for all retroactively reported intangible assets, is $1,000,000. Capital assets used in operations are depreciated or amortized using the straight-line method over their estimated useful lives or the capital lease period in the activities within the government-wide financial statements and proprietary funds.

The estimated useful lives are as follows:

Infrastructure	25-50 years
Structures	25-40 years
Improvements	10-20 years
Equipment, including vehicles	3-20 years
Intangible assets	3-50 years

Maintenance and repairs are charged to operations when incurred. Betterments and major improvements, which significantly increase values, change capacities or extend useful lives, are capitalized. Upon sale or retirement of capital assets, the cost and related accumulated depreciation are removed from the respective accounts and any resulting gain or loss is included in the results of operations.

Interest is capitalized on construction in progress in the proprietary funds. Accordingly, interest capitalized is the total interest cost from the date of the borrowing, net of any allowable interest carried on temporary investments of the proceeds of those borrowings, until the specified asset is ready for its intended use.

K. Bond Discounts, Bond Premiums, Insurance Costs, and Deferred Amounts on Refundings

In governmental fund financial statements, bond discounts, bond premiums, insurance costs, and deferred amounts on refundings are recognized in the period incurred. In the government-wide and proprietary fund financial statements, bond discounts, bond premiums, insurance costs, and deferred amounts on refundings are amortized over the term of the issuance using the straight-line method, which approximates the effective interest method.

L. Property Tax Levy, Collection, and Maximum Rates

The county is responsible for assessing, collecting, and apportioning property taxes. Taxes are levied for each fiscal year on taxable real and personal property situated in the county. The levy is based on the assessed values as of the preceding January 1st, which is also the lien date. State code requires tax rates to be set no later than October 3rd of each year. Property taxes on the secured roll are due in two installments: November 1st and February 1st and become delinquent after December 10th and April 10th, respectively. Supplemental property taxes are levied based on changes in assessed values between the date of real property sales or construction completion and the preceding assessment date. The

additional supplemental property taxes are prorated from the first day of the month following the date of such occurrence. Property taxes on the unsecured roll are due on the lien date (January 1st), and become delinquent if unpaid by August 31st.

Supplementary taxes that have been collected but unapportioned at year-end and unsecured taxes collected in advance are reported as unapportioned taxes in the Unapportioned Taxes Agency Fund. Secured property taxes are recorded as revenue in the fiscal year of the levy. The county apportions secured property tax revenue in accordance with the alternate method of distribution prescribed by the California Revenue and Taxation Code Section 4701 et al (The Teeter Plan). This alternate method provides for crediting each applicable fund with its total secured taxes upon completion of the secured tax roll, approximately October 1st of each year.

Under the alternate apportionment method, specified amounts of penalties and interest collected on delinquent secured taxes are held in the Tax Losses Reserve Agency Fund (TLRF). This reserve is used to offset the impact of accumulated delinquency remaining at year-end. The county's management believes that any ownership rights to the TLRF the county may have are effective only upon transfer or to the extent of losses related to the sale of tax defaulted property. The county has the authority to transfer any amounts in the fund that exceed a legally defined threshold, which was $5,138,000 at June 30, 2018. The year-end balance in the TLRF was $62,091,000. Amounts in the TLRF are considered to be held in a custodial capacity for the administration of the county's Teeter Plan.

M. Interfund Transactions

Interfund transactions are reflected as either loan, services provided, reimbursements or transfers. Loans are reported as receivables and payables (as appropriate), are subject to elimination upon consolidation, and are referred to as "due to/from other funds" (i.e., the current portion of interfund loans). Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances."

Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund, and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide presentation.

N. Compensated Absences and Sick Leave

Under terms of union contracts and various Board resolutions, county employees are granted vacation and sick leave in varying amounts. In the event of termination, employees are paid at their current hourly rate for accumulated vacation, compensatory time, and other paid time off hours. Employees are not reimbursed for accumulated sick leave except management employees who are eligible for a payoff of unused sick leave accruals at resignation. Management employees must have a balance of at least 70.0% of their sick leave accruals and have been employed three years or more to be eligible for this benefit. The maximum amount payable under this Sick Leave Incentive Plan is 50.0% of accrued sick leave; however, the amount of sick leave payable is considered de minimis. Accordingly, no accrual for sick leave has been made in the accompanying basic financial statements.

Compensated absences as of June 30, 2018, were valued at $76,655,000, which includes $46,837,000 attributable to the General Fund, $6,570,000 attributable to the Special Revenue Funds, $22,580,000 recorded in Enterprise Funds, $81,000 recorded in Internal Service Funds, $194,000 recorded in the First 5 Contra Costa Children and Families Commission Component Unit, and $393,000 recorded in the Housing Authority Component Unit (as of March 31, 2018). Amounts attributable to the General Fund, Special Revenue Funds, and Component Units are expected to be claimed in future periods and paid with future resources from those funds. Accordingly, this liability is reflected in the government-wide statement of net position. In the proprietary funds, compensated absences are recorded as an expense and liability as the benefits accrue to employees. The amounts reported for compensated absences include estimated employer liability for taxes and workers' compensation premiums.

O. Estimates

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

2. FUND EQUITY

Government-wide Financial Statements – Restatement of Net Position

A restatement of beginning net position for the discretely presented component units was necessary with the implementation of GASB Statement No. 75. The restatement of net position includes the adjustments to prior year ending net position and the elimination of the net OPEB obligation.

The First 5 Contra Costa Children and Families Commission and Housing Authority recorded restatements of beginning net position to account for the above GASB Statement No. 75 implementation activity.

The adjustment to the beginning net position is presented below (in thousands):

Government-wide Financial Statements-Restatement of Net Position

		First 5 Contra Costa Children and Families Commission	Housing Authority
Net position, at beginning of year, as previously reported	$	25,357	18,449
Set up of net OPEB liability		(276)	(5,725)
Set up of deferred OPEB outlows		52	468
Set up of deferred OPEB inflows			(12)
Removal of net OPEB obligation (asset) based on previous standards		(105)	2,442
Net position (deficit), at beginning of year, as restated	$	25,028	15,622

3. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

Annual budgets are adopted for all governmental funds except the Public Financing Authority Debt Service Fund, the Assessment Districts Debt Service Fund, and the Assessment Districts Capital Projects Fund. All annual appropriations lapse at fiscal year-end. GAAP serves as the budgetary basis of accounting.

Schedules of revenues, expenditures, and changes in fund balance - budget and actual are included in the required supplementary information section of this report for the General Fund and all major special revenue funds.

Encumbrance accounting is used in governmental funds. Encumbrances outstanding at year-end are reported with restricted, committed, and assigned, as appropriate, fund balances and do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year.

B. Deficit Net Position/Fund Balance

The County Hospital Enterprise Fund had a deficit net position of $68,524,000 at June 30, 2018. The deficit is due to the implementation of GASB Statement No. 68 in 2015 and the implementation of GASB Statement No. 75 in 2017, recognizing net pension and net OPEB liabilities, respectively. The County Hospital Enterprise Fund continues to show an annual positive change in net position, reducing the deficit net position.

The County Pension Bond Debt Service Fund had a fund balance deficit of $4,518,000 at June 30, 2018. The deficit was due to forecasted rates of payroll employee pay deductions received in the fund being $8,110,000 less than the actual pension obligation bond payment. Future rate calculations will incorporate 50% to 100% of the deficit to bring fund balance back to positive.

Three internal service funds had deficit net positions at June 30, 2018. The Long-Term Disability Insurance Fund shows a deficit of $477,000, a deficit reduction of $291,000 from a deficit net position of $768,000 at June 30, 2017. The Workers' Compensation Insurance County General Fund shows a deficit of $15,932,000, a deficit reduction of $1,883,000 from a $17,815,000 deficit at June 30, 2017. The Workers' Compensation Insurance Fire Protection Fund shows a positive net position of $1,110,000, an increase of net position of $4,082,000 from a $2,972,000 deficit at June 30, 2017. The Medical Liability Insurance Fund shows a deficit net position of $580,000, a deficit increase from a positive net position of $1,031,000 at June 30, 2017. The deficit changes in net position were caused by adjustments of insurance reserves for self-insurance funds per the actuarial report dated June 30, 2018. The county's policy is to provide in each fiscal year, by charges to affected operating funds, amounts sufficient to cover the estimated expenditures for self-insured claims and the cost of insurance, and to cure deficits over a reasonable amount of time.

The Successor Agency to the Redevelopment Agency had a deficit net position of $73,995,000 at June 30, 2018. Under the former California Redevelopment Law, the Former Agency issued bonds or incurs

long-term debt to finance its redevelopment projects by pledging future tax increment revenues. In general, the Successor Agency to the Redevelopment Agency can only be used to pay enforceable obligations in existence at the date of dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments).

4. CASH AND INVESTMENTS

Cash and investments at June 30, 2018 (March 31, 2018, for the Housing Authority) are reported as follows (in thousands):

	Primary Government		Component Units		
	Governmental Activities	Business-Type Activities	First 5 Contra Costa Children and Families Commission	Housing Authority*	Fiduciary Funds
Cash and Investments	$ 1,181,271	306,797	21,380	7,924	2,622,551
Restricted Cash and Investments	104,102	19,506		3,575	882
	$ 1,285,373	326,303	21,380	11,499	2,623,433

*As of March 31, 2018

The cash and investment balances of substantially all funds, except the Other Employee Benefit and Investment Trust Funds, are maintained in the county's pool and invested by the County Treasurer. Income from pooled investments is allocated to the funds based on average daily balances. As permitted by the California Government Code, legally separate entities that are not part of the county reporting entity also have individual investment accounts in the County Treasury. These investment accounts are separate from the pool and are reported in the Investment Trust Fund. Specific investments are acquired for those separate entities at their direction and the income from and changes in the value of these investments affect only the entity for which they were acquired. The Public Agencies Retirement Services (PARS) directs the investment activity of the Other Employee Benefit Trust Fund.

A. Summary of Cash and Investments

Cash and investments at June 30, 2018 (March 31, 2018, for the Housing Authority) are summarized as follows (in thousands):

		Deposits and Certificates of Deposits	Investments	Total
From the Statement of Net Position				
Primary Government	Cash and investments	$ 126,102	1,361,966	1,488,068
	Restricted cash and investments		123,608	123,608
First 5 Contra Costa Children and Families Commission	Cash and investments	1	21,379	21,380
Housing Authority	Cash and investments	3,578	4,346	7,924
	Restricted cash and investments	2,606	969	3,575
From the Statement of Fiduciary Net Position				
Other Employee Benefit Trust Fund	Cash and investments		269,670	269,670
Investment Trust Fund	Cash and investments		2,132,523	2,132,523
Private-Purpose Trust Funds	Cash and investments	7,971	25,693	33,664
	Restricted cash and investments		882	882
Agency Funds	Cash and investments	48	186,646	186,694
Total		$ 140,306	4,127,682	4,267,988

B. Deposits and Investments

Deposits

Deposits include bank deposits at a carrying amount of $140,306,000. The balance reported by various financial institutions, including certificates of deposit, was $143,974,000. The difference between the bank balance and the carrying amount represents outstanding checks and deposits in transit. Of the bank balance, $2,803,000 was covered by federal depository insurance and $136,620,000 was collateralized by the pledging financial institutions as required by California Government Code Section 53652.

According to the California Government Code Section 53601, bank obligations such as certificates of deposit are considered investments. However, in accordance with accounting principles generally accepted in the United States of America, the county has classified non-negotiable certificates of deposit in the amount of $4,551,000 as deposits. Of the certificates of deposit balance, $253,000 was insured and $4,298,000 was collateralized by the pledging financial institutions as required by California Government Code Section 53652.

Under the California Government Code, a financial institution is required to secure deposits in excess of $250,000 made by state or local governmental units by pledging securities held in the form of an undivided collateral pool. The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure public agency deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. The collateral must be held at the pledging bank's trust department or at another bank, acting as the pledging bank's agent, in the public agency's name. The county may waive collateral requirements for cash deposits, which are fully insured up to $250,000 by the Federal Deposit Insurance Corporation. The county, however, has not waived the collateralization requirements.

The county follows the practice of pooling cash of all funds, except for funds required to be held by fiscal agents under the provisions of bond indentures. Interest income earned on pooled cash is allocated on a quarterly basis to the various funds based on the year-to-date average daily cash balances. Interest income from cash with fiscal agent is credited directly to the related fund.

Authorized Investments

Under provisions of the county's investment policy, the county may invest in the following:

Bonds and notes issued by local agencies with a maximum maturity of five years. Obligations issued by Agencies or Instrumentalities of the U.S. Government.

State or Municipal Depository Funds, such as the Local Agency Investment Fund (LAIF) or pooled cash investment funds managed by county treasurers.

U.S. Treasury bills, notes, bonds, or certificates of indebtedness, or those for which the faith and credit of the United States are pledged for the payment of principal and interest.

Registered state warrants, treasury notes, or bonds issued by the state of California.

Bonds, notes, warrants, or other evidence of debt issued by a local agency within the state of California, County Treasurer, other local agencies or Joint Powers Agencies.

Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments.

Banker's acceptances with a term not to exceed 180 days, limited to 40% of surplus funds; no more than 30% of surplus funds can be invested in Bankers Acceptances of any single commercial bank.

Prime commercial paper not to exceed 270 days and the highest ranking issued by a nationally recognized statistical rating organization (NRSRO), limited to 40% of surplus funds; no more than 10% of surplus funds can be invested in commercial paper of any single commercial bank.

Negotiable certificates of deposit issued by federally or state chartered banks or associations, limited to not more than 30% of surplus funds.

Repurchase/reverse repurchase agreements of any securities authorized by the California Government Code Sections 5922 and 53601 et seq. Securities purchased under these agreements shall be no less than 102% of market value. Securities purchased under reverse repurchase agreements shall be for temporary and unanticipated cash flow needs only.

Medium-term notes of U.S. corporations rated "A" or better by a national rating service limited to not more than 30% of surplus funds.

Shares of beneficial interest issued by diversified management companies investing in the securities and obligations authorized by this Section (Money Market Mutual Funds); funds must carry the highest rating of at least two national rating agencies and are limited to not more than 20% of surplus funds.

Any mortgage pass-through security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable pass-through certificate or consumer receivable-backed bond of a maximum of five years maturity, securities in this category must be rated AA or better by a nationally recognized rating service and are limited to not more than 20% of surplus funds.

Notes, bonds, or other obligations that are at all times secured by a valid first-priority security interest.

Monies held by a trustee or fiscal agent and pledged to the payment of security bonds or other indebtedness, or obligations under a lease, installment sale, or other agreement of a local agency, or certificates of participation in those bonds, indebtedness, or lease installment sale, or other agreements.

Insured demand and savings deposits, provided that deposits in excess of the insured amounts must be 100% collateralized by federal securities (Housing Authority).

Insured money market accounts (Housing Authority).

Insured SUPERNOW accounts, provided the deposit in excess of insured amount must be 100% collateralized by federal securities (Housing Authority).

Sweep accounts that are 100% collateralized by federal securities (Housing Authority).

Funds held under the terms of a trust indenture or other contract or agreement including HUD/PHA annual contributions contract, may be invested according to the provisions of those indentures or contracts.

Collateralized bank deposits with a perfected security interest in accordance with the Uniform Commercial Code (UCC) or applicable federal security regulations.

Risk Disclosures

Interest Rate Risk. As a means of limiting its exposure to losses arising from rising interest rates, the county's investment policy provides that final maturities of securities cannot exceed five years, unless the county Board of Supervisors (Board) has granted express authority to make that investment either specifically or as a part of an investment program approved by the Board no less than three months prior to the investment.

At June 30, 2018, the county (March 31, 2018, for the Housing Authority) had the following investments and maturities (in thousands):

	Investment Maturities				
Investment Type:	Less than 1 year	1 to 3 years	3 to 5 years	Over 5 years	Total
U.S. Treasury notes & bonds	$ 64,896	1,479	42,365		108,740
U.S. agencies - (FHLB, FNMA, FFCB, FHLMC)	320,849	193,386	288,729		802,964
Corporate notes	13,218	109,413	76,870		199,501
Municipal bonds	1,259	5,199		428	6,886
Asset backed securities		5,765	9,288		15,053
Commercial paper	1,070,234				1,070,234
Negotiable certificates of deposit	533,146	116,954	2,025		652,125
Mutual funds	397,452			1,770	399,222
Money market accounts		565			565
LAIF	224,856				224,856
International Bank	2,104	1,494			3,598
Supranationals	184,633	152,187	37,448		374,268
Total investment with maturities	$ 2,812,647	586,442	456,725	2,198	3,858,012
OPEB investments disclosed separately					269,670
Total investments				$	4,127,682

As of June 30, 2018, the portfolio contained $165,865,000 of callable U.S. Agencies, representing 19.91% of investment cost at June 30, 2018.

Credit Risk. State law limits investments in commercial paper with an "A1" or higher and all other investments with an investment grade rating of "A" or higher issued by nationally recognized statistical rating organizations (NRSROs). The county's policy is to limit its investments in these investment types

to the top rating issued by NRSROs including raters Standard and Poor's, Fitch Ratings, and Moody's Investors Service.

The following schedule lists the types of investments and the range of credit ratings as rated by Standard and Poor's:

Investment Type:		Total (in thousands)	Quality Rating Range
U.S. Treasury notes, bills	$	108,740	AAA to A-1+
Federal Home Loan Bank (FHLB)		413,876	AA+ to A-1+
Federal National Mortgage Association (FNMA)		84,587	AA+
Federal Farm Credit Bank (FFCB)		177,855	AAA to A-1+
Federal Home Loan Mortgage-Corp (FHLMC)		125,103	AAA to A-1+
Freddie Mac		1,299	AA+
Farmer Mac		98	AAA
Fannie Mae		146	AAA
Corporate notes		199,501	AAA to A-
Municipal bonds		6,886	AA+ to AA-
Asset-backed securities		15,053	AAA to NOT RATED
Commercial paper		1,070,234	A-1+ to A-1
Negotiable certificates of deposit		652,125	AA to A-
Mutual funds		399,222	AAAm
Money market accounts		565	AAA to NOT RATED
LAIF		224,856	NOT RATED
International Bank		3,598	AAA to NOT RATED
Supranationals		374,268	AAA
Total Investments subject to Credit Risk		3,858,012	
OPEB Investments not subject to Credit Risk		269,670	
Total Investments	$	4,127,682	

Custodial Credit Risk. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the county will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. There are no county investments in which the securities are held by the investment's counterparty not in the name of the county.

Concentration of Credit Risk. The Treasurer's investment policies and guidelines permit the county to be invested in any one issuer's investments up to 10% of the county's total assets of the investments held by the county. Investments issued by or explicitly guaranteed by U.S. Government and investments in mutual funds, external investment pools, and other pooled investments are exempt from this requirement as they are normally diversified themselves. The county invested in FHLB which represented 10.03% of the county's investments at June 30, 2018.

Other Financial Instruments

In accordance with California statutes, the county may invest in a wide variety of investment instruments, including asset-backed securities, mortgage-backed securities, and collateralized mortgage obligations.

The county's investments with the LAIF, a state of California investment pool, at June 30, 2018, included a portion of the pool funds invested in structured notes and asset-backed securities, as follows:

> Structured Notes are debt securities (other than asset-backed securities) whose cash flow characteristics (coupon rate, redemption amount, or stated maturity) depend upon one or more indices and/or that have embedded forwards or options.
>
> Asset-Backed Securities, the bulk of which are mortgage-backed securities, entitle their purchasers to receive a share of the cash flows from a pool of assets (such as principal) and interest repayments from a pool of mortgages (such as Collateralized Mortgage Obligations) or credit card receivables.

The county is a participant in the LAIF that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The fair value of the county's investment in the LAIF pool is reported in the accompanying financial statements at amounts based upon the county's pro rata share of the fair value provided by LAIF, for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). Included in LAIF's investment portfolio are collateralized mortgage obligations, mortgage-backed securities, other asset-backed securities, loans to certain state funds, and floating rate securities issued by federal agencies, government-sponsored enterprises, United States Treasury Notes and Bills, and corporations. The total amount invested by all public agencies in LAIF as of June 30, 2018, is approximately $22,548,942,000. LAIF is part of the Pooled Money Investment Account (PMIA) with a total portfolio of approximately $88,817,956,000 as of June 30, 2018. Of that amount, 97.33% is invested in non-derivative financial products and 2.67% in structured notes and asset-backed securities. The Local Investment Advisory Board (Board) has oversight responsibility for LAIF. The Board consists of five members, as designated by state statute. The value of the pool shares in LAIF, which may be withdrawn, is determined on an amortized cost basis that is different than the fair value of the county's position in the pool. At June 30, 2018, these investments have an average maturity of 193 days. As of June 30, 2018, the county (excluding the Housing Authority) had $224,357,000 invested in LAIF. The Housing Authority (March 31, 2018) had $499,000 invested in LAIF.

As of June 30, 2018, the county had no derivative instruments in mutual funds.

At June 30, 2018, (March 31, 2018, for the Housing Authority) the amount of assets restricted by legal and contractual requirements was as follows (in thousands):

	Governmental Activities		Business-type Activities	Fiduciary fund	Discrete Component Unit
	General Fund	Nonmajor Governmental Funds	County Hospital	RDA Successor Agency	Housing Authority
Pension obligation bond	$	281			
Nonexpendable portion of permanent fund		1,710			
Public Financing Authority:					
2010B Lease revenue bonds		1,068			
2015A & 2015B Lease revenue bonds		372			
2017A & 2017B Lease revenue bonds		90,541			
Pleasant Hill BART bond reserve 1987-1 reserve account		540			
San Ramon bond reserve 1989-1 reserve account		45			
Kensington reserve fund AD 91-1 reserve account		276			
San Pablo bond reserve AD 91-3 reserve account		29			
2013 Special Tax Refunding bonds		208			
Kensington construction/improvement bond AD 91-1		27			
County Hospital Enterprise Fund:					
2010A & 2010B Lease revenue bonds			3,139		
2012A Lease revenue bond			1		
2015A & 2015B Lease revenue bonds			13,212		
2017A Lease revenue bonds			3,154		
Funds for replacement and operating reserves required by the lender and funds held on behalf of its clients					3,575
East Bay Regional Communication System	1,770				
Restricted program money	162				
Low & Moderate Income Housing Assets		7,073			
RDA Successor Agency				882	
Total restricted assets	$ 1,932	102,170	19,506	882	3,575

County management believes that the county is in compliance with all terms of its debt agreements and all state statute requirements.

Fair Value Measurements

The county's internal pool categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. Those principles recognize a fair value hierarchy as follows:

Level 1: Investments reflect prices quoted for identical assets in active markets that the county can access.

Level 2: Investments reflect prices that are based on a similar observable asset, either directly or indirectly, which may include inputs in markets that are not considered to be active.

The county's internal pool has the following recurring fair value measurements as of June 30, 2018 (in thousands):

Investments by fair value level			Fair Value Measurement Using: Quoted Prices in Active Markets for Identical Assets (Level 1)	Fair Value Measurement Using: Significant Other Observable Inputs (Level 2)
U.S. Treasury notes	$	108,740	108,740	
Federal Farm Credit Banks (FFCB)		177,855		177,855
Federal Home Loan Banks (FHLB)		413,876		413,876
Federal Home Loan Mortgage-Corp (FHLMC)		125,103		125,103
Federal National Mortgage Assn. (FNMA)		84,587		84,587
Freddie Mac		1,299		1,299
Farmer Mac		98		98
Fannie Mae		146		146
Asset-backed securities		15,053		15,053
Commercial paper		1,070,234		1,070,234
Corporate notes		199,501		199,501
Money market accounts		565		565
Municipal bonds		6,886		6,886
Negotiable certficates of deposit		652,125		652,125
International bank		3,598		3,598
Supranationals		374,268		374,268
Total investments at fair value		3,233,934	108,740	3,125,194
Investments not subject to fair value hierarchy				
LAIF		224,856		
Mutual funds		668,892		
Total investments not subject to fair value hierarchy		893,748		
Total investments	$	4,127,682		

C. Other Postemployment Benefit Trust Fund

Investment Stewardship

The county has established investment policies for the investments of Contra Costa County Post-Retirement Health Benefits Plan Trust (OPEB Trust). The OPEB Trust is administered by Public Agency Retirement Services (PARS), under the direction of the Post Retirement Health Benefits Trust Agreement Advisory Body, a body designated by the county Board of Supervisors. The OPEB Trust is reported in the Contra Costa County Other Employee Benefit Trust Fund, and does not issue separate financial statements.

The investment policy of the OPEB Trust authorizes investments in eight segments and defines allocations, targets, and limits for each segment as follows:

	Target Mix	Allocation Ranges Minimum	Allocation Ranges Maximum	Maximum % of Plan Portfolio	Maximum % in Single Issuer
Total Domestic Equity:					
Large Cap	17%	13%	32%	no limit	no limit
Mid Cap	6%	2%	10%	no limit	no limit
Small Cap	8%	4%	12%	no limit	no limit
Global Equity	7%	4%	12%	10%	5%
International Equity (Developed)	9%	4%	16%	no limit	no limit
International Equity (Emerging)	0%	0%	3%	no limit	no limit
Fixed Income	38%	30%	50%	no limit	no limit
High Yield	0%	0%	4%	no limit	no limit
Real Estate	4%	0%	8%	no limit	no limit
Cash (Money Market)	1%	0%	5%	no limit	no limit
Alternatives	10%	5%	20%	5%	no limit

Investments in the Global Fixed Income segment are restricted to obligations of the U.S. Treasury; obligations of U.S. Agency securities (including-mortgage backed securities); certificates of deposit; individual corporate bonds (minimum quality rating of Baa2/BBB at the time of purchase); instruments pursuant to SEC Rule 144(a) or Regulation S; commercial paper (minimum quality rating of P-1/A-1); lower risk planned amortization class collateralized mortgage obligations (CMO) and sequential CMOs (CMOs are limited to 10% of fixed income portfolio); high-yield securities held in high-yield mutual funds; asset-backed securities (e.g. automobiles, credit cards or student loans). Investments in the Real Estate segment are restricted to an individual Real Estate Investment Trust (REIT) securities and commingled funds that invest in REIT.

At June 30, 2018, the Other Employee Benefit Trust held $269,670,000 in mutual funds in the following segments (in thousands):

	Fair Value at June 30, 2018	Portfolio Allocation
Total Domestic Equity:		
Large Cap	$ 46,504	17%
Mid Cap	14,417	5%
Small Cap	26,089	10%
Global Equity	19,791	7%
International Equity (Developed)	27,754	10%
Fixed Income	92,563	34%
Real Estate	7,290	3%
Cash (Money Market)	17,445	6%
Alternatives	17,817	7%
	$ 269,670	

Investment Risk

Investments are subject to certain types of risks, including interest rate risk and credit risk (including custodial credit risk, concentrations of credit risk, or credit risk). The following describes those risks:

Interest Rate Risk. The fair value of fixed maturity investments fluctuates in response to changes in market interest rates. Increases in prevailing interest rates generally translate into decreases in fair value of those investments. The fair value of interest sensitive instruments may also be affected by the creditworthiness of the issuer, prepayment options, relative values of alternative investments, and other general market conditions. Certain fixed maturity investments may have call provisions that could result in shorter maturity periods.

The OPEB Trust does not have a general policy to manage interest rate risk. However, to help manage interest rate risk, the Core Plus Fixed Income portfolios that have holdings in CMOs greater than 15 years or less than negative 15 years in duration (based on a 100 basis point move in rates) are limited to no more than 2% of the fixed income portfolio at cost.

At June 30, 2018, the OPEB Trust did hold fixed income investments subject to interest rate risk and the weighted average maturity for the fixed income investments portion was 6.90 years.

Custodial Credit Risk. Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the OPEB Trust would not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. Investment securities are exposed to custodial credit risk if the securities are uninsured, not registered in the name of the OPEB Trust, and held by the counterparty. At June 30, 2018, the OPEB Trust's investments were not exposed to custodial credit risk because none of the investments were in the name of the OPEB Trust. The OPEB Trust has no general policy on custodial credit risk for deposits.

Concentration of Credit Risk. The investment policies of the OPEB Trust permit investments in numerous specified asset classes to take advantage of professional investment management advice and a well-diversified portfolio. At June 30, 2018, the investment portfolio contained no concentration of investments in any one entity that represented 5% or more of the portfolio.

Credit Risk. The OPEB Trust's general investment policy is to apply the prudent-person rule. Investments are made as a prudent person would be expected to act, with discretion and for the exclusive purposes of providing benefits, minimizing contributions, and defraying reasonable expenses of administering the Plan. Investments should be diversified so as to minimize the risk of loss and to maximize the rate of return unless, under the circumstances, it is clearly prudent not to do so. At June 30, 2018, the mutual funds held by the OPEB Trust are not rated by a nationally recognized rating organization.

5. RECEIVABLES

Receivables at year-end of the county's major individual funds, nonmajor, and internal service funds in the aggregate, including the applicable allowances for uncollectible accounts are as follows (in thousands):

Governmental Activities	General	CCC Fire Protection District Special Revenue	Nonmajor Governmental Funds	Internal Service	Total Governmental Activities
Taxes receivable	$ 2,719	1,149	417		4,285
Accounts receivable	122,766	146	40,942	2,804	166,658
Advances receivable	103				103
Gross receivables	125,588	1,295	41,359	2,804	171,046
Less: Allowance for uncollectibles	(4)				(4)
Total receivables (net)	$ 125,584	1,295	41,359	2,804	171,042

Business-type Activities	County Hospital	HMO Medi-Cal Plan	Nonmajor Enterprise Funds	Total Business-type Activities
Accounts receivable	$ 242,744	76,102	1,885	320,731
Less: Allowance for uncollectibles	(152,913)			(152,913)
Total receivables (net)	$ 89,831	76,102	1,885	167,818

Governmental funds report unavailable revenues as a deferred inflow of resources in connection with receivables for revenues not considered available to liquidate liabilities of the current period. Governmental and enterprise funds report a liability for unearned revenue in connection with resources that have been received, but not yet earned.

At June 30, 2018, the various components of unavailable revenue and unearned revenue reported were as follows (in thousands):

	Unavailable	Unearned
Governmental Activities:		
General:		
Notes receivable (Community Development Block Grant-CDBG loans)	$ 92,725	
Advances not yet earned		14,106
Other receivables and advances		22,715
CCC Fire Protection District Special Revenue:		
Resources to be recognized in future periods that do not yet meet the criteria for revenue recognition	111	
Nonmajor Governmental:		
Notes receivable	17,519	
Other receivables and advances		4,257
Resources to be recognized in future periods that do not yet meet the criteria for revenue recognition	200	
Total Governmental Activities	$ 110,555	41,078
Business-type Activities:		
County Hospital:		
Resources received that do not yet meet the criteria for revenue recognition		$ 100
HMO Medi-Cal Plan:		
Resources received that do not yet meet the criteria for revenue recognition		619
Nonmajor Enterprise:		
Resources received that do not yet meet the criteria for revenue recognition		1,220
Total Business-type Activities		$ 1,939

6. INTERFUND TRANSACTIONS

A. Interfund Receivables/Payables

The composition of interfund balances as of June 30, 2018, is as follows (in thousands):

Due To/From Other Funds:

Receivable Fund	Payable Fund	Amount
General Fund	CCC Fire Protection District Special Revenue Fund	$ 863
	Nonmajor Governmental Funds	115,219
	County Hospital Enterprise Fund	17,427
	HMO Medi-Cal Enterprise Fund	4,063
	Nonmajor Enterprise Funds	751
	Internal Service Funds	1,819
		140,142
CCC Fire Protection District Special Revenue Fund	HMO Medi-Cal Enterprise Fund	511
	Nonmajor Enterprise Funds	29
	Internal Service Funds	50
		590
Nonmajor Governmental Funds	General Fund	3,953
	Nonmajor Governmental Funds	785
	County Hospital Enterprise Fund	58
	HMO Medi-Cal Enterprise Fund	4
	Nonmajor Enterprise Funds	11
		4,811
County Hospital Enterprise Fund	General Fund	6,578
	Nonmajor Governmental Funds	121
	HMO Medi-Cal Enterprise Fund	11,991
	Nonmajor Enterprise Funds	1,440
	Internal Service Funds	44
		20,174
HMO Medi-Cal Enterprise Fund	County Hospital Enterprise Fund	54,165
	Nonmajor Enterprise Funds	64
		54,229
Nonmajor Enterprise Funds	General Fund	1,816
	County Hospital Enterprise Fund	2,000
	Nonmajor Enterprise Funds	47
		3,863
Internal Service Funds	General Fund	1,637
	Nonmajor Governmental Funds	218
	County Hospital Enterprise Fund	23
	Nonmajor Enterprise Funds	12
	Internal Service Funds	93
		1,983
Total		$ 225,792

Balances in the due to/from other funds accounts resulted from: (1) interfund cash transactions recorded after the cash cut-off on June 30, 2018, much of which consisted of distributions of revenues and expenditures among funds; and, (2) cash overdrafts.

B. Interfund Transfers

Fund Financial Statements

Transfers were made during the year from the General Fund to subsidize the operations of the County Hospital, HMO Commercial Plan, and Sheriff Law Enforcement Training Center. Other transfers primarily consisted of payments from the various operating funds (principally the General Fund) to debt service funds in accordance with long-term debt covenants. In addition, special revenue funds made transfers to other funds for eligible costs incurred.

Interfund transfers to/from other funds for the year ended June 30, 2018, were as follows (in thousands):

Transfer From	Transfer To	Amount	Purpose
General Fund	Nonmajor Governmental Funds	$ 27,371	Transfer a portion of Salaries and Benefits Expense to the Pension Obligation Bond fund.
	Nonmajor Governmental Funds	1,881	Transfer a portion of Salaries and Benefits Expense for the Retirement Litigation Settlement.
	Nonmajor Governmental Funds	369	Transfer funds to Service Areas for administrative and project costs.
	Nonmajor Governmental Funds	184	Transfer funds to Flood Control and Land Development to cover appropriation adjustments.
	Nonmajor Governmental Funds	750	Transfer funds to Land Development to update County General Plan and Zoning.
	Nonmajor Governmental Funds	119	Transfer funds for the Sheriff's Patrol usage of helicopter.
	Nonmajor Governmental Funds	386	Transfer funds for Foster Care assistance.
	Nonmajor Governmental Funds	200	Transfer overhead allocation to Flood Control.
	Nonmajor Governmental Funds	259	Transfer funds to the Land Development home investment account.
	Nonmajor Governmental Funds	16	Transfer funds for storage costs to Law Enforcement.
	Nonmajor Governmental Funds	8	Transfer funds to cover the cost of case management fees for the Clerk-Recorder.
	Nonmajor Governmental Funds	3	Transfer funds to the Library for property damage costs.
	County Hospital Enterprise Fund	22,088	Provide subsidy to cover portion of the County Hospital's operation.
	Nonmajor Enterprise Funds	3,986	Provide subsidy to cover a portion of the HMO Commercial Plan's operation.
	Nonmajor Enterprise Funds	869	Provide subsidy to cover a portion of Law Enforcement Training Center operations.
Total		$ 58,489	

(continued)

Transfer From	Transfer To	Amount	Purpose
Nonmajor Governmental Funds	General Fund	$ 2,500	Transfer funds to match State appropriations for the Jail Construction program.
	General Fund	599	Transfer FEMA funds from Road Improvement Fee fund for road improvements.
	General Fund	230	Transfer funds fom the the Rod fund for building improvements.
	General Fund	55	Transfer funds from the Livable Communities trust for the purchase of a parcel, the San Ramon Valley Street Smarts program, and the Housing Security fund.
	Nonmajor Governmental Funds	8,728	Transfer SLESA Realignment funds to Law Enforcement.
	Nonmajor Governmental Funds	207	Transfer funds for zone routine maintenance activities.
	Nonmajor Governmental Funds	200	Transfer funds for trash capture device activities.
	Nonmajor Governmental Funds	200	Transfer funds for road maintenance and street sweeping activities.
	Nonmajor Governmental Funds	225	Transfer funds from the Livable Communities trust for the Agricultural Land Use policy and the Newall repair project.
	Nonmajor Governmental Funds	284	Transfer FEMA funds from Road Improvement Fee fund for road improvements.
	Nonmajor Governmental Funds	1,854	Transfer a portion of Salaries and Benefits Expense to the Pension Obligation Bond fund.
	Nonmajor Governmental Funds	128	Transfer a portion of Salaries and Benefits Expense for the Retirement Litigation Settlement.
	Nonmajor Governmental Funds	89	Transfer funds to cover cost overages in the PABF and WXN programs.
	Nonmajor Governmental Funds	69	Transfer funds to Flood Control for drainage area fees.
	Nonmajor Governmental Funds	13	Transfer funds to Service Area funds for the El Sobrante Mini Park Project.
	Nonmajor Governmental Funds	1	Transfer funds to cover county staff support for the North Richmond Mitigation Fund Committee.
	Nonmajor Governmental Funds	58	Transfer funds from the Davis Trust Fund to Library.
	County Hospital Enterprise Fund	8	Transfer lease revenue reserve funds from the Public Financing Authority to the County Hospital.
Total		$ 15,448	

(continued)

Transfer From	Transfer To	Amount	Purpose
County Hospital Enterprise Fund	Nonmajor Governmental Funds	$ 9,802	Transfer a portion of the Salaries and Benefits Expense to the Pension Obligation Bond fund.
	Nonmajor Governmental Funds	693	Transfer a portion of Salaries and Benefits Expense for the Retirement Litigation Settlement.
Total		$ 10,495	
HMO Medi-Cal Enterprise Fund	Nonmajor Governmental Funds	$ 624	Transfer a portion of the Salaries and Benefits Expense to the Pension Obligation Bond fund.
	Nonmajor Governmental Funds	43	Transfer a portion of the Salaries and Benefits Expense for the Retirement Litigation Settlement.
Total		$ 667	
Nonmajor Enterprise Funds	General Fund	$ 117	Transfer funds back to the General Fund to balance budget for the Law Enforcement Training Operation.
	Nonmajor Governmental Funds	124	Transfer a portion of the Salaries and Benefits Expense to the Pension Obligation Bond fund.
	Nonmajor Governmental Funds	8	Transfer a portion of the Salaries and Benefits Expense for the Retirement Litigation Settlement.
Total		$ 249	
Internal Service Funds	Nonmajor Governmental Funds	$ 55	Transfer a portion of the Salaries and Benefits Expense to the Pension Obligation Bond fund.
	Nonmajor Governmental Funds	4	Transfer a portion of the Salaries and Benefits Expense for the Retirement Litigation Settlement.
	Internal Service Funds	48	Transfer claim expense to Fleet Services for property damage.
	Internal Service Funds	19	Transfer funds from Fleet Services for vehicle repair.
	Internal Service Funds	105	Transfer portion of Public Liability Internal Service fund allocation to Automotive Liability Internal Service fund.
Total		$ 231	

(concluded)

The county pays a subsidy to the County Hospital, HMO Commercial Plan, and Sheriff Law Enforcement Training Center Enterprise Funds to provide resources for operating costs which are in excess of operating revenues. Subsidies for the past three years are as follows (in thousands):

Year End June 30	Total Subsidy
2016	$ 27,605
2017	27,441
2018	26,943

7. CAPITAL ASSETS

Capital assets activity for the year ended June 30, 2018 was as follows (in thousands):

	Balance July 1, 2017	Additions	Retirements	Transfers & Adjustments	Balance June 30, 2018
Governmental Activities:					
Capital assets, not being depreciated:					
Land	$ 68,250		(4)		68,246
Construction in progress	94,828	50,701		(45,318)	100,211
Total capital assets, not being depreciated	163,078	50,701	(4)	(45,318)	168,457
Capital assets, being depreciated:					
Infrastructure	634,855	7,118		1,961	643,934
Structures and improvements	694,267	13,512		29,844	737,623
Equipment	177,181	11,294	(15,466)	1,115	174,124
Intangibles	15,247	528		12,415	28,190
Total capital assets, being depreciated	1,521,550	32,452	(15,466)	45,335	1,583,871
Less accumulated depreciation for:					
Infrastructure	(202,057)	(13,353)			(215,410)
Structures and improvements	(481,841)	(17,576)			(499,417)
Equipment	(121,826)	(11,688)	15,344	14	(118,156)
Intangibles	(9,855)	(5,594)			(15,449)
Total accumulated depreciation	(815,579)	(48,211)	15,344	14	(848,432)
Total capital assets, being depreciated, net	705,971	(15,759)	(122)	45,349	735,439
Governmental activities capital assets, net	$ 869,049	34,942	(126)	31	903,896

	Balance July 1, 2017	Additions	Retirements	Transfers & Adjustments	Balance June 30, 2018
Business-type Activities:					
Capital assets, not being depreciated:					
Land	$ 16,368				16,368
Construction in progress	7,829	1,843		(4,575)	5,097
Total capital assets, not being depreciated	24,197	1,843		(4,575)	21,465
Capital assets, being depreciated:					
Structures and improvements	295,472	2,014		4,574	302,060
Equipment	55,920	2,384	(227)	(18)	58,059
Intangibles	3,180				3,180
Total capital assets, being depreciated	354,572	4,398	(227)	4,556	363,299
Less accumulated depreciation for:					
Structures and improvements	(150,087)	(7,760)			(157,847)
Equipment	(41,475)	(3,465)	205	(13)	(44,748)
Intangibles	(2,702)	(478)			(3,180)
Total accumulated depreciation	(194,264)	(11,703)	205	(13)	(205,775)
Total capital assets, being depreciated, net	160,308	(7,305)	(22)	4,543	157,524
Business-type activities capital assets, net	$ 184,505	(5,462)	(22)	(32)	178,989

	Balance July 1, 2017	Additions	Retirements	Transfers & Adjustments	Balance June 30, 2018
Component Unit:					
First 5 Contra Costa Children and Families Commission					
Capital assets, not being depreciated:					
Land	$ 246	85			331
Total capital assets, not being depreciated	246	85			331
Capital assets, being depreciated:					
Structures and improvements	680	1,030			1,710
Equipment	132				132
Total capital assets, being depreciated	812	1,030			1,842
Less accumulated depreciation for:					
Structures and improvements	(263)	(28)			(291)
Equipment	(127)	(3)			(130)
Total accumulated depreciation	(390)	(31)			(421)
Total capital assets, being depreciated, net	422	999			1,421
Component unit capital assets, net	$ 668	1,084			1,752

	Balance April 1, 2017	Additions	Retirements	Transfers & Adjustments	Balance March 31, 2018
Component Unit:					
Housing Authority of the County of Contra Costa					
Capital assets, not being depreciated:					
Land	$ 2,977				2,977
Construction in progress	327	1,142		(618)	851
Total capital assets, not being depreciated	3,304	1,142		(618)	3,828
Capital assets, being depreciated:					
Structures and improvements	132,361	100		618	133,079
Equipment	3,404	302	(167)		3,539
Total capital assets, being depreciated	135,765	402	(167)	618	136,618
Less accumulated depreciation for:					
Structures and improvements	(101,953)	(2,538)			(104,491)
Equipment	(2,486)	(220)	163		(2,543)
Total accumulated depreciation	(104,439)	(2,758)	163		(107,034)
Total capital assets, being depreciated, net	31,326	(2,356)	(4)	618	29,584
Component unit capital assets, net	$ 34,630	(1,214)	(4)		33,412

Depreciation

Depreciation expense was charged to governmental functions as follows (in thousands):

General government	$	20,043
Public protection		10,860
Health and sanitation		608
Public assistance		2,398
Education		392
Public ways and facilities		11,126
Recreation and culture		199
Capital assets held by the county's internal service funds are charged to the various functions based on their usage of the assets		2,585
Total depreciation expense - governmental functions	$	48,211

Depreciation expense was charged to the business-type functions as follows (in thousands):

County Hospital	$	10,518
Nonmajor Enterprise Funds		1,185
Total depreciation expense - business-type functions	$	11,703

8. PAYABLES

Accounts payable and accrued liabilities as of June 30, 2018, were as follows (in thousands):

Governmental Activities	General	CCC Fire Protection District Special Revenue	Nonmajor Governmental Funds	Internal Service	Total Governmental Activities
Accounts payable	$ 28,986	8,018	24,799	489	62,292
Accrued payroll	34,019	5,122	4,494	162	43,797
Total accounts payable and accrued liabilities	$ 63,005	13,140	29,293	651	106,089

Business-type Activities	County Hospital	HMO Medi-Cal Plan	Nonmajor Enterprise Funds	Total Business-type Activities
Accounts payable	$ 16,337	98,288	14,148	128,773
Accrued payroll	25,955	1,716	272	27,943
Total accounts payable and accrued liabilities	$ 42,292	100,004	14,420	156,716

9. LEASES

A. Operating Leases

Total rental expense for the year ended June 30, 2018, (March 31, 2018 for the Housing Authority), for all operating leases and month-to-month lease arrangements amounted to: $15,822,000 for the General Fund; $466,000 for the CCC Fire Protection District Special Revenue Fund; $343,000 for the nonmajor governmental funds; $5,938,000 for the County Hospital Enterprise Fund; $197,000 for the HMO Medi-Cal Plan Fund; and $91,000 for nonmajor enterprise funds.

At June 30, 2018, the future minimum rental payments required under non-cancelable operating leases for buildings and equipment, other than month-to-month lease arrangements, are as follows (in thousands):

Fiscal Year Ending June 30		Governmental Activities	Business-type Activities
2019	$	8,434	2,154
2020		7,714	2,157
2021		6,960	1,904
2022		6,729	1,933
2023		6,575	1,957
2024-2028		31,787	8,630
2029-2033		7,684	6,585
Thereafter			2,485
	$	75,883	27,805

B. Capital Leases

The county has capital lease purchase agreements for various county buildings, improvements, and equipment. The assets acquired under those lease purchase agreements are included in the county's capital assets. The costs of these assets for both governmental and business-type activities were $1,400,000 for buildings and improvements, and $17,898,000 for equipment. The obligations related to those lease purchase agreements are included in the county's long-term obligations (see Note 10). The net book value of the capital assets for both governmental and business-type capital lease activities was $1,036,000 for buildings and improvements, and $12,661,000 for equipment.

The following is a schedule of future minimum lease payments under capital leases together with the present value of future minimum lease payments as of June 30, 2018 (in thousands). There are no future minimum lease payments for business type activities:

Fiscal Year Ending June 30		Governmental Activities
2019	$	3,568
2020		3,113
2021		2,670
2022		2,314
2023		2,269
2024-2028		5,719
2029-2033		1,852
2034-2038		416
Total		21,921
Less: Amount representing interest		(2,736)
Present value of future minimum lease payments	$	19,185

C. Leases of County-Owned Property

The county has non-cancelable operating leases of property to others for various operations including recreational, commercial, airport, and governmental purposes. Rental income for the year ended June 30, 2018, amounted to $1,484,000 for the General Fund, $399,000 for nonmajor governmental funds, $97,000 for the County Hospital Enterprise Fund, and $4,447,000 for nonmajor enterprise funds.

The leased assets included both land and buildings for both governmental and business-type activities. The net book value of the leased buildings was $1,296,000; including cost of $5,103,000 and accumulated depreciation of $3,807,000. The land leases were primarily associated with business-type activities at the Airport. The cost of the land associated with these leases is indeterminate, as the leased land is a small percentage of the Airport land asset.

The following is a schedule of future minimum rental receipts on non-cancelable lease agreements, not including month-to-month lease agreements, as of June 30, 2018 (in thousands):

Fiscal Year Ending June 30		Governmental Activities	Business-type Activities
2019	$	181	2,767
2020		13	2,635
2021			2,568
2022			2,555
2023			12,581
2024-2028			12,377
2029-2033			9,489
2034-2038			4,854
2039-2043			1,939
2044-2048			335
2049-2053			300
	$	194	52,400

10. LONG-TERM OBLIGATIONS

The following is a summary of long-term liabilities transactions for the year ended June 30, 2018 (in thousands):

		Balance June 30, 2017	Additions	Retirements	Balance June 30, 2018	Amounts Due Within One Year
Governmental activities						
Compensated absences	$	50,629	48,147	(45,288)	53,488	5,349
Claims payable (Note 17)		167,731	25,879	(22,536)	171,074	30,264
Net OPEB liability (Note 15)		663,104		(26,211)	636,893	
Retirement litigation settlement debt service		13,578		(1,674)	11,904	1,807
Net pension liability (Note 14)		812,989		(359,724)	453,265	
Capital leases		17,594	4,671	(3,080)	19,185	3,105
Pension bonds payable		261,370		(40,240)	221,130	44,805
Notes payable		876		(141)	735	121
Lease revenue bonds		193,425		(18,358)	175,067	17,521
Add: unamortized premium		6,319		(366)	5,953	366
Lease revenue bonds, net		199,744		(18,724)	181,020	17,887
Tax allocation bonds [3]		86,100		(86,100)		
Add: unamortized premium		1,336		(1,336)		
Less: unamortized discounts		(43)		43		
Tax allocation bonds, net		87,393		(87,393)		
Special assessments		4,635		(255)	4,380	260
Add: unamortized premium		16		1	17	1
Special assessments, net		4,651		(254)	4,397	261
Other noncurrent liabilities		3,203	404	(1,786)	1,821	
Total governmental activities	$	2,282,862	79,101	(607,051)	1,754,912	103,599
Business-type activities						
Compensated absences	$	20,715	23,010	(21,145)	22,580	2,257
Medical liability claims payable (Note 17)		4,458	2,459	(1,459)	5,458	1,978
Net OPEB liability (Note 15)		30,462		(4,838)	25,624	
Net pension liability (Note 14)		294,735		(133,431)	161,304	
Notes payable		963		(122)	841	127
Reserves for supplemental payments		203,497		(75,666)	127,831	
Landfill post closure and closure liability [1]		699			699	11
Lease revenue bonds payable		127,720		(11,083)	116,637	12,358
Add: unamortized premium		2,462		(169)	2,293	169
Less: unamortized discounts		(800)		43	(757)	(43)
Lease revenue bonds, net		129,382		(11,209)	118,173	12,484
Total business-type activities	$	684,911	25,469	(247,870)	462,510	16,857
Component units						
First 5 Children and Families Commission						
Compensated absences	$	216	189	(212)	193	19
Net OPEB liability (Note 15)			276	(5)	271	
Net pension liability (Note 14)		2,424		(1,135)	1,289	
		2,640	465	(1,352)	1,753	19
Housing Authority of the County of Contra Costa (as of March 31, 2018)						
Compensated absences		422		(29)	393	306
Notes payable		13,273		(444)	12,829	486
Net pension liability		10,162		(3,895)	6,267	
Other noncurrent liabilities (incl. Net OPEB)		5,714	2,705		8,419	
		29,571	2,705	(4,368)	27,908	792
Total component units - Long-term obligations - net	$	32,211	3,170	(5,720)	29,661	811

Individual issues of bonds and notes outstanding at June 30, 2018, are as follows (in thousands):

Type of indebtedness (purpose)	Maturity	Interest Rates	Annual Principal Installments	Original Issue Amount	Outstanding at June 30, 2018
Governmental activities					
Pension obligation bonds [4],[5]:					
2003 Issue	2022	3.98-5.14	$ 0-44,925	$ 322,710	$ 155,880
2005 CCCFPD Issue	2023	4.11-5.06	1,620-10,900	129,900	65,250
					221,130
Lease revenue bonds [2]:					
2010B Lease revenue	2025	2.50-5.00	921-1,509	16,808	9,616
2015A Lease revenue	2035	3.00-5.00	396-534	4,571	3,337
2015B Lease revenue	2028	3.00-5.00	1,101-5,894	42,990	34,481
2017A Lease revenue	2027	2.33	2,574-9,450	42,409	32,958
2017B Lease revenue	2032	2.39	5,610-7,845	100,285	94,675
					175,067
Special assessment debt with government commitment [6]:					
2013 Special Tax Refunding Bonds	2032	4.10-6.10	110-495	7,220	4,380
					4,380
Notes payable [7]:					
State Energy Commission	2024	3.95	68-122	1,332	688
PG and E - 1275 Hall Avenue	2023		2-9	94	39
PG and E - 4800 Imhoff Avenue	2019		3-17	168	8
					735
Total governmental activities					$ 401,312

Type of indebtedness (purpose)	Maturity	Interest Rates	Annual Principal Installments	Original Issue Amount	Outstanding at June 30, 2018
Business-type activities					
Notes payable [7]:					
State Energy Commission	2025	3.95%	$ 83-149	$ 1,628	$ 841
					841
Lease revenue bonds [2]:					
Hospital Enterprise					
2010A Lease revenue	2040	3.00-7.00	475-1,900	40,620	35,950
2010B Lease revenue	2025	2.50-5.00	34-56	627	359
2012 Lease revenue	2027	2.68	784-1,105	13,102	8,969
2015A Lease revenue	2035	3.00-5.00	119-1,010	14,484	13,608
2015B Lease revenue	2028	3.00-5.00	69-1,424	9,070	8,820
2017A Lease revenue	2027	2.33	854-9,400	57,401	48,931
					116,637
Total business-type activities					$ 117,478

NOTES:

(1) State environmental laws require the monitoring by the county of closed landfills for at least thirty years after closure. The liability is recognition of the estimated cost of performing the required post

closure monitoring subject to changes resulting from inflation, technology, or changes in applicable laws or regulations.

(2) Debt service payments are made from lease payments by the General Fund, Special Revenue Funds, and County Hospital Enterprise Fund to the Public Financing Authority.

(3) Beginning February 1, 2012, Contra Costa County Redevelopment Agency was dissolved as a result of California Assembly Bill 1X 26 signed by the Governor of the state of California. On the date of dissolution, all assets and liabilities were transferred to and became the assets and liabilities of the Successor Agency to the Contra Costa County Redevelopment Agency, a private purpose trust fund; however, because the tax allocation bonds were debt of the County of Contra Costa Public Financing Authority, they continued to be shown as a liability to the county.

On August 16, 2017, the Successor Agency to the Contra Costa County Redevelopment Agency closed its 2017 Tax Allocation Refunding Bonds to prepay the 1999 tax allocation bonds, 2003A tax allocation bonds, and 2007A and B tax allocation bonds which retired the debt from the county's financial statements. Refer to Note 19-Special Item for more information.

(4) In April 2003, the county issued $322,710,000 in taxable pension obligation bonds (2003 Series A). Debt service payments are made from county revenues.

(5) In July 2005, the CCC Fire Protection District issued $129,900,000 in taxable pension obligation bonds (2005 Series). Debt service payments are made from CCC Fire Protection District revenues.

(6) Debt service payments are made from special assessment levies on properties in each assessment district. The county administers the assessment and repayment of those bonds. Since early redemption is allowed, there may be differences between the earnings on money received from property owners wishing to pay off their debt early and the interest obligation that accumulates on their debt between the time they submit funds to the county and the next available redemption date, as stated in the bonds' official statements. The county has historically funded this difference and to that extent may be obligated in some manner for this debt.

Annual principal and interest payments on the special assessment debt are expected to require 75% of revenues. The total principal and interest remaining to be paid on the debt is $5,576,000. For the current year, principal and interest paid were $402,000 and revenues were $426,000. The special assessment debt required 94.4% of current year's revenues.

(7) Debt service payments are made from operating revenues.

There are a number of limitations and restrictions contained in the various bond indentures. County management believes that the county is in compliance with all significant limitations and restrictions.

General, special revenue, and internal service funds have been used to liquidate compensated absences, claims payable, net pension liabilities, and other postemployment benefits (OPEB) liabilities within the governmental activities in prior years.

Following is a schedule of debt payment requirements to maturity for governmental activities for long-term obligations, excluding compensated absences, net OPEB liability, net pension liability, claims payable, and other noncurrent liabilities that have indefinite maturities, outstanding at June 30, 2018 (in thousands):

Fiscal Year Ending June 30	Capital Lease Obligations		Pension Obligation Bonds	
	Principal	Interest	Principal	Interest
2019	$ 3,105	463	44,805	11,514
2020	2,668	445	49,720	9,087
2021	2,296	374	55,010	6,391
2022	1,999	315	60,695	3,406
2023	2,007	262	10,900	276
2024-2028	5,049	670		
2029-2033	1,654	198		
2034-2038	407	9		
Total	$ 19,185	2,736	221,130	30,674

Fiscal Year Ending June 30	Lease Revenue Bonds		Retirement Litigation Settlement	
	Principal	Interest	Principal	Interest
2019	$ 17,521	5,320	1,806	954
2020	16,644	4,747	1,952	808
2021	17,208	4,186	2,108	652
2022	15,246	3,624	2,277	483
2023	15,745	3,107	3,761	405
2024-2028	62,397	8,502		
2029-2033	30,306	1,830		
Total	$ 175,067	31,316	11,904	3,302

Fiscal Year Ending June 30	Special Assessment Debt		Notes Payable	
	Principal	Interest	Principal	Interest
2019	$ 260	144	121	26
2020	270	138	117	22
2021	275	132	122	18
2022	280	124	126	13
2023	290	116	249	12
2024-2028	1,585	428		
2029-2033	1,420	114		
Total	$ 4,380	1,196	735	91

As of June 30, 2018, annual debt payment requirements of business-type activities to maturity, except for compensated absences, net pension liability, net OPEB liability, reserves for supplemental payments, medical liability claims payable, and landfill post closure liability, that have indefinite maturities, are as follows (in thousands):

Fiscal Year Ending June 30	Notes Payable		Lease Revenue Bonds	
	Principal	Interest	Principal	Interest
2019	$ 127	32	12,358	4,751
2020	132	27	12,755	4,380
2021	137	22	13,105	4,021
2022	143	16	13,477	3,640
2023	148	11	13,834	3,255
2024-2028	154	5	21,348	12,220
2029-2033			12,845	7,885
2034-2038			12,240	3,949
2039-2043			4,675	494
Total	$ 841	113	116,637	44,595

Defeased Obligations

The county has defeased certain obligations by placing a portion of the proceeds of new debt issuances in irrevocable trusts to provide for all future debt service payments on the refunded obligations. Accordingly, the trust account assets and the liability of the defeased debt are not included on the financial statements of the county. As of June 30, 2018, there are no outstanding obligations considered to be defeased.

Legal Debt Limit

As of June 30, 2018, the county's debt limit (5% of valuation subject to taxation) was $9.819 billion. The total amount of debt applicable to the debt limit was $147 million, net of assets in the debt service funds and other deductions allowed by law. The resulting legal debt margin was $9.672 billion.

Arbitrage

The Tax Reform Act of 1986 instituted certain arbitrage restrictions with respect to the issuance of tax-exempt bonds after August 31, 1986. Arbitrage regulations deal with the investment of all tax-exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if applicable rebates are not reported and paid to the Internal Revenue Service (IRS) at least every five years.

The county engages consultants to perform calculations of excess investment earnings on tax-exempt bonds. As of June 30, 2018, the county does not expect to incur a liability.

11. CONDUIT DEBT

From time to time Multifamily/Single Family Housing Revenue Bonds have been issued in the county's name to provide mortgage loans secured by first trust deeds on newly constructed and existing housing and to provide funds to builders for construction/remodeling of housing projects.

The bonds do not constitute an indebtedness of the county. They are payable solely from payments made on and secured by a pledge of the acquired mortgage loans or housing units and certain funds and other monies held for the benefit of the bondholders pursuant to the bond indentures. The county is not obligated in any manner for repayment of the indebtedness. Accordingly, no liability has been recorded in the basic financial statements.

As of June 30, 2018, the county had participated in the issuance of 38 series of Multifamily or Single Family Housing Revenue Bonds. The aggregate principal amount remaining payable for the bonds issued was $421,800,000.

Not included in the above amount are two defeased issues totaling $17,440,000.

12. NET POSITION/FUND BALANCES

The government-wide financial statements and proprietary and fiduciary fund financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted, and unrestricted.

- *Net investment in capital assets* – This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.

- *Restricted net position* – This category presents external restrictions imposed by creditors, grantors, contributors, laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation. The restricted assets are reduced by liabilities and deferred inflows of resources related to those assets and are used to arrive at restricted net position.

- *Unrestricted net position* – This category represents net position of the county, not restricted for any project or other purpose.

GASB Statement No. 54 establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. As of June 30, 2018, fund balances for governmental funds are made up of the following:

- *Nonspendable fund balance* – This category consists of amounts that are (1) not spendable in form (i.e. amounts representing inventory, prepaid expenses, and advances to other funds), or

(2) not spendable because of a legal requirement to maintain intact (i.e. amount representing the nonexpendable portion of the permanent fund).

- *Restricted fund balance* – This category consists of amounts that are constrained for a specific purpose through restrictions of external parties (i.e. creditors, grantors, contributors, or laws or regulations of other governments), or by constitutional provision or enabling legislation.

- *Committed fund balance* – This category consists of amounts that are constrained for specific purposes imposed by formal action of the county's highest level of decision-making authority, the county's Board of Supervisors. Commitments may be changed or lifted only by the county taking the same formal action that originally imposed the constraint.

- *Assigned fund balance* – This category consists of amounts that are constrained by the government's intent to be used for a specific purpose but are neither restricted nor committed. Authorization to assign fund balance rests with the Board of Supervisors through the budget process, as governed by the state of California's County Budget Act.

- *Unassigned fund balance* – This category represents the residual classification for the county's General Fund. It includes all amounts that are not reported as constrained in other classifications. Other governmental funds will only have an unassigned fund balance if they have a negative residual balance.

The most binding action the Board of Supervisors can take is the passing of a county ordinance. Most ordinances also have a third-party restriction. As such, most fund balance constrained by an ordinance is deemed to be restricted. Only fund balance constrained by an ordinance without a third-party restriction is deemed to be committed.

The county has not established a policy for its use of fund balance amounts. In circumstances where an expenditure is made for a purpose for which amounts are available in multiple fund balance classifications, fund balance is generally depleted in the following order: (1) restricted, (2) committed, (3) assigned, (4) unassigned.

Fund balances for all of the major and nonmajor governmental funds as of June 30, 2018, were distributed as follows (in thousands):

	General Fund	CCC Fire Protection District Special Revenue	Nonmajor Governmental Funds	Total
Nonspendable:				
Nonspendable in form:				
Inventories	$ 2,382	908		3,290
Prepaid items and deposits	6,615	674	2,839	10,128
Legally nonspendable:				
Permanent fund			1,710	1,710
Total nonspendable	8,997	1,582	4,549	15,128
Restricted for:				
Jail Construction	22,500			22,500
County Administrator's Office	721			721
Board Mitigation Programs	495			495
Employee/Retirement Benefits	666			666
Crockett-Rodeo revenues	300			300
Vehicle Theft	1,299			1,299
Public Defender	78			78
Probation	221			221
Public Works	12			12
Environmental Health Programs	875			875
Keller Canyon Mitigation Fund	681			681
AIDS (HOPWA) grant	254			254
East Bay Regional Communication Systems (EBRCS) Investment	1,770			1,770
Cash for Keys	163			163
Fire Protection		14,270	427	14,697
Road			42,398	42,398
Library Services			5,892	5,892
Low & Moderate Income Housing Assets			16,128	16,128
Health and Sanitation			62,787	62,787
Land Development			30,040	30,040
Service Areas - Public Protection			6,580	6,580
Service Areas - Education			427	427
Service Areas - Recreation and Parks			2,083	2,083
Flood control			79,249	79,249
Law Enforcement			1,776	1,776
Courts and criminal justice			2,154	2,154
Recorder/Clerk Modernization			9,429	9,429
Child Development				
In-Home Support Services			100	100
County Local Revenue Fund 2011			61,522	61,522
Other Special Revenue			48,339	48,339
Permanent Fund			92	92
Public Financing Authority			93,431	93,431
Family Law Center			2,129	2,129
Retirement Litigation Settlement				
CCC Fire Protection District Pension Bond			13,147	13,147
Assessment Districts			2,477	2,477
Total restricted	30,035	14,270	480,607	524,912
Committed to:				
Transient Occupancy Tax Programs	1,398			1,398
Service Areas - Public Protection			18	18
Crockett Cogeneration			324	324
Total committed	1,398		342	1,740

(continued)

	General Fund	CCC Fire Protection District Special Revenue	Nonmajor Governmental Funds	Total
Assigned to:				
Equipment Replacement	$ 4,934			4,934
Litigation and Audit	10,000			10,000
General Fund Capital Reserve	67,100			67,100
Board of Supervisors	1,301			1,301
Clerk of the Board	6			6
County Administrator	6,049			6,049
Auditor-Controller	130			130
Treasurer-Tax Collector	155			155
Assessor	183			183
Management Information System	1,290			1,290
County Counsel	9			9
Human Resources	161			161
Child Care	228			228
Elections	563			563
Telecommunications	78			78
General County Building Occupancy	368			368
Building Maintenance	365			365
Minor Building Improvements	695			695
Facilities Life Cycle Improvements	26,447			26,447
Capital Facilities	48,021			48,021
Economic Promotion	140			140
Retiree Health Care	16,527			16,527
Information Technology	83			83
Print and Mail	251			251
Insurance and Risk Management	1			1
Law and Justice	10,020			10,020
District Attorney	76			76
Public Defender	8			8
Civil Grand Jury	9			9
Sheriff	560			560
Sheriff Detention	67			67
Probation Programs	132			132
Probation Facilities	22			22
County Drainage Maintenance	260			260
Agriculture-Weights/Measures	220			220
Clerk Recorder	156			156
Emergency Services	406			406
Animal Services	649			649
Public Health	102			102
Environmental Health	169			169
Mental Health	115			115
Health Services-Calif Child Services	12			12
Employment and Human Services	516			516
Aging and Adult Services	8			8
Workforce Services	13			13
Veterans Service Office	33			33
Zero Tolerance Domestic Violence Unit	7			7
Community Services	188			188
Neighborhood Preservation Program	914			914
Public Works	225			225
Fire Protection		59,757	5	59,762
Road			14,121	14,121
Library Services			21,356	21,356
Health and Sanitation			1,185	1,185
Low & Moderate Income Housing Assets			1,764	1,764
Land Development			2,477	2,477
Service Areas - Public Protection			836	836
Service Areas - Recreation and Parks			964	964
Service Areas - Public Ways			14,175	14,175
Flood Control			3,410	3,410
Law Enforcement			26,092	26,092
Child Development			299	299
Other Special Revenue			3,907	3,907
Total assigned	199,972	59,757	90,591	350,320
Unassigned	254,845		(4,518)	250,327
Total	$ 495,247	75,609	571,571	1,142,427

(concluded)

General Fund Reserve Requirements

In December 2005, as amended in June 2012, the county's Board of Supervisors adopted a General Fund Reserve Policy. The establishment and maintenance of the reserve was considered to be a key element in enhancing the management of the county's finances and maintaining the county's credit quality. It balanced the need to maintain a reserve for severe circumstances with the need to address revenue shortfalls, unanticipated expenses, and emergency situations. The computed reserves are classified as unassigned fund balance in the governmental funds balance sheet.

The General Fund Reserve Policy includes the following:

- The county shall strive to achieve a minimum unassigned General Fund balance of 5% of budgeted General Fund revenues and a minimum total General Fund balance of 10% of budgeted General Fund revenues.
- Until such time as the county has an unreserved General Fund balance equal to at least 5% of budgeted General Fund revenues, no less than $2 million of year-end fund balance in any fiscal year shall be added to the appropriation for Contingency Reserve.
- In the event the county realizes reserves above the minimum levels defined by this policy, the first use shall be to annually deposit the funds into an account designated for capital projects and other one-time uses, up to an amount equal to 1% of General Fund revenues per year.
- Reserves may be drawn below the minimum level in order to address an unforeseen emergency, to fund a non-recurring expense, or to fund a one-time capital cost; but only following the adoption, by a four-fifths vote, of a resolution of the Board of Supervisors specifying the circumstances that justify the invasion of the minimum reserve level.
- Should reserves fall below the established minimum levels, a request to utilize reserve funds must be accompanied by recommendations for restoring, within three years, minimum reserve levels.

At June 30, 2018, unassigned fund balance in the general fund was 16.3% of budgeted revenues and total fund balance in the general fund was 31.7% of budgeted revenues. Both are in compliance with the General Fund Reserve Policy.

Encumbrances

The county uses encumbrances to control expenditure commitments and enhance cash management. Encumbrances reflect the outstanding contractual obligations for which goods and services have not been received. They are set up to reserve portions of applicable appropriations. Encumbrances still open at year end are not accounted for as expenditures or liabilities, but as a constraint imposed on fund balance. As of June 30, 2018, the county's General Fund has a total of $77,091,000 in encumbrances, which were reported as part of assigned fund balance on the governmental fund balance sheet. Additionally, total encumbrances are $1,353,000 in the Contra Costa County Fire Protection District Special Revenue Fund, and $1,235,000 in the nonmajor governmental funds, which are reported as part of restricted, committed, and assigned fund balance, as appropriate, on the governmental fund balance sheet. The County Hospital Enterprise Fund reports $3,679,000, the Health Maintenance Organization

Medi-Cal Plan Enterprise Fund reports $353,000, the nonmajor enterprise funds report $10,000, and the internal service funds report $2,285,000 in encumbrances at June 30, 2018, which are reported as part of unrestricted net position on the proprietary fund statement of net position.

13. PERMANENT FUND

The Permanent Fund accounts for the financial activities and balances of donor-restricted endowments for the county's libraries. Interest income may be used for the establishment and furnishing of children's areas within libraries, literacy programs and the acquisition of books that meet the criteria of the endowments. In accordance with the terms of the endowments and the California Government Code Section 25355, only the interest income may be used; any unused income may be used in a subsequent year. The amount available for spending, $92,000 at June 30, 2018, is shown on the Statement of Net Position as Net Position Restricted for Permanent Fund–expendable portion.

14. EMPLOYEES' RETIREMENT PLAN

A. General Information about the Pension Plan

Plan Description

The Contra Costa County Employees' Retirement Association (CCCERA) is a cost-sharing multiple-employer defined benefit pension plan (the plan) and is governed by the Board of Retirement (Board) under the County Employees Retirement Law of 1937 (CERL) and the California Public Employees' Pension Reform Act of 2013 (PEPRA). The plan covers substantially all of the employees of the county, its special districts, the Housing Authority and four other member agencies. The plan issues stand-alone financial statements which can be directly obtained from its office.

The Board of Retirement is made up of 12 trustees, bound by CERL. Of the 12 members, three are alternates (alternates vote in the absence of specific trustees: one for safety members, one for retirees and one appointed by the Board of Supervisors). Five trustees (including one alternate) are appointed by the County Board of Supervisors; four trustees (including the safety alternate) are elected by CCCERA's active members. Two trustees (including one alternate) are elected by the retired membership. The County Treasurer serves as an ex-officio member. Board members serve three year terms, with the exception of the County Treasurer, who services during his tenure in office.

Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the CCCERA plan and additions to/deductions from the CCCERA's fiduciary net position have been determined on the same basis as they are reported by CCCERA. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Benefits Provided

The plan provides for retirement, disability, death and survivor benefits, in accordance with the 1937 Act. Annual cost-of-living adjustments (COLA) to retirement benefits can be granted by the Retirement Board as provided by state statutes.

CCCERA provides service retirement, disability, death and survivor benefits to eligible employees. All regular full-time employees of the county or participating agencies become members of CCCERA effective on the first day of the first full pay period after employment. Part-time employees in permanent positions must work at least 20 hours a week in order to be a member of CCCERA. There are separate retirement plans for General and Safety member employees. Safety membership is extended to those involved in active law enforcement, fire suppression, and certain other "Safety" classifications. There are currently five tiers applicable to Safety members. Safety members with membership dates before January 1, 2013, are included in Tier A (Enhanced and Non-Enhanced). County Sheriff's Department Safety members hired on or after January 1, 2007, but before January 1, 2013, are placed in Safety Tier C Enhanced. Any new Safety Member who becomes a member on or after January 1, 2013, is designated PEPRA Safety Tier D or E (Safety Members from certain bargaining units) and is subject to the provisions of California Public Employees' Pension Reform Act of 2013 (PEPRA), California Government Code §7522 et seq.

All other employees are classified as General members. There are currently eight tiers applicable to General members. General Tier 1 (Enhanced and Non-Enhanced) includes general members hired before July 1, 1980, and electing not to transfer to Tier 2 Plan. In addition, certain General members with membership dates before January 1, 2013, hired by specific employers who did not adopt Tier 2 are placed in Tier 1. General Tier 2 includes most General members hired on or after August 1, 1980, and all General members hired before July 1, 1980, electing to transfer to the Tier 2 plan. Effective October 1, 2002, for the County, Tier 2 was eliminated and all County employees (excluding CNA employees) in Tier 2 were placed in Tier 3 (Enhanced and Non-Enhanced). Effective January 1, 2005, all CNA employees in Tier 2 were placed in Tier 3. New General Members who become a member on or after January 1, 2013, are designated as PEPRA General Tier 4 (hired by specific employers who did not adopt Tier 2) and Tier 5 (with 2%/3% maximum COLAs) and are subject to the provisions of California Government Code §7522 et seq.

General members prior to January 1, 2013, are eligible to retire once they attain the age of 70 regardless of service or at age 50 and have acquired 10 or more years of retirement service credit. A member with 30 years of service is eligible to retire regardless of age. General members who are first hired on or after January 1, 2013, are eligible to retire once they have attained the age of 70 regardless of service or at age 52, and have acquired five years of retirement service credit.

Safety members prior to January 1, 2013, are eligible to retire once they attain the age of 70 regardless of service or at age 50 and have acquired 10 or more years of retirement service credit. A member with 20 years of service is eligible to retire regardless of age. Safety members who are first hired on or after January 1, 2013, are eligible to retire once they have attained the age of 70 regardless of service or at age 50, and have acquired five years of retirement service credit.

General Tier 1 and Tier 3 benefits are calculated pursuant to the provisions of Sections 31676.11 and 31676.16 for Non-Enhanced and Enhanced benefit formulae, respectively. The monthly allowance is equal to 1/60th (Non-Enhanced) and 1/50th (Enhanced) of final compensation times years of accrued retirement service credit times age factor from either section 31676.11 (Non-Enhanced) or 31676.16 (Enhanced). General Tier 2 benefit is calculated pursuant to the provisions of Sections 31752. General member benefits for those with membership dates on or after January 1, 2013, (PEPRA General Tier 4 and 5) are calculated pursuant to the provisions found in California Government Code Section 7522.20(a). The monthly allowance is equal to the final compensation multiplied by years of accrued retirement credit multiplied by the age factor from Section 7522.20(a).

Safety member benefits are calculated pursuant to the provisions of California Government Code Sections 31664 and 31664.1 for Non-Enhanced and Enhanced formulae, respectively. The monthly allowance is equal to 1/50th (or 2%) of final compensation times years of accrued retirement service credit times age factor from Section 31664 (Non-Enhanced) or 3% of final compensation times years of accrued retirement service credit times age factor from Section 31664.1 (Enhanced). For those Safety members with membership dates on or after January 1, 2013, (PEPRA Safety Tier D and Tier E) benefits are calculated pursuant to the provisions found in California Government Code Section 7522.25(d). The monthly allowance is equal to the final compensation multiplied by years of accrued retirement service credit multiplied by the age factor from Section 7522.25(d).

For members with membership dates before January 1, 2013, the maximum monthly retirement allowance is 100% of final compensation. There is no final compensation limit in the maximum retirement benefit for members with membership dates on or after January 1, 2013.

Final average compensation consists of the highest 12 consecutive months for General Tier 1, General Tier 3 (non-disability) and Safety Tier A members and the highest 36 consecutive months for General Tier 2, General Tier 3 (disability), PEPRA General Tier 4, PEPRA Tier 5, Safety Tier C, PEPRA Safety Tier D, and PEPRA Safety Tier E members.

CCCERA provides an annual cost-of-living benefit to all retirees. The cost-of-living adjustment, based on the Consumer Price Index for the San Francisco-Oakland-San Jose Area, is capped at 3.0% for General Tier 1, General Tier 3 (non-disability benefits), PEPRA General Tier 4, PEPRA General Tier 5 (3% non-disability benefits), Safety Tier A and PEPRA Safety Tier D. The cost of living adjustment is capped at 4.0% for General Tier 3 (disability benefits), General Tier 2 and PEPRA General Tier 5 (3% disability benefits). The cost-of-living adjustment is capped at 2.0% for General Tier 5, Safety Tier C and PEPRA Safety Tier E.

Contributions

The County of Contra Costa and participating agencies contribute to the retirement plan based upon actuarially determined contribution rates adopted by the Board of Retirement. Employer contribution rates are adopted annually based upon recommendations received from CCCERA's actuary after the completion of the annual actuarial valuation. The average employer contribution rate as of December 31, 2017, for the fiscal year beginning July 1, 2017, (based on the December 31, 2015, valuation) was 39.23% of compensation. Contributions in relation to the actuarially determined contribution were $253,003,000.

Members are required to make contributions to CCCERA regardless of the retirement plan or tier in which they are included. The average member contribution rate as of December 31, 2017, for the fiscal year beginning July 1, 2017, (based on the December 31, 2015, valuation) was 12.09% of compensation.

A copy of CCCERA's Comprehensive Annual Financial Report for calendar year end December 31, 2017, can be located at www.cccera.org.

B. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources related to Pension

Per the GASB 68 Actuarial Report provided by CCCERA the Net Pension Liability (NPL) allocation to its member employers was based on the following definition of covered payroll, which complies with GASB Statement No. 82:

"Covered payroll is the payroll on which contributions to a pension plan are based."

The allocation of the NPL provided by CCCERA for the county did not include Contra Costa County Fire Protection District (CCCFPD) and In Home Supportive Services (IHSS) because the NPL was identified and provided for those entities separately. The county's NPL allocation for reporting purposes was combined with the CCCFPD and IHSS NPLs to produce the overall county NPL.

At June 30, 2018, the county reported a liability of $614,569,000 for its proportionate share of the net pension liability which includes Pension Obligation Bond proceeds. The net pension liability was measured as of December 31, 2017. The county's proportion of the net pension liability was based on a projection of the county's covered payroll for fiscal year 2017-2018 relative to the covered payroll of all Pension Plan participants. At December 31, 2017, the county's proportion was 75.74%, a decrease from 79.09% at December 31, 2016.

As of June 30, 2018, First Five Contra Costa Children and Families Commission and Housing Authority of the County of Contra Costa reported a Net Pension Liability of $1,289,000 and $6,267,000, respectively.

Plan Fiduciary Net Position (plan assets) was valued as of the measurement date while the TPL was determined based upon rolling forward the TPL from actuarial valuations as of December 31, 2016, and 2015, respectively. As of December 31, 2017, the Plan Fiduciary Net Position was $8,390,581,000.

For the year ended June 30, 2018, the county recognized pension expense of $127,720,000. Pension expense represents the change in the net pension liability during the measurement period, adjusted for actual contributions and the deferred recognition of changes in investment gain/lost, actuarial gain/loss, actuarial assumptions or method, and plan benefits.

At June 30, 2018, the county reported deferred outflows of resources and deferred inflows of resources related to pension for the following sources (in thousands):

Deferred Outflows of Resources

	Governmental activities	Business-type activities	First 5 Contra Costa Children and Families Commission	Housing Authority
Changes in assumption	$ 13,669	4,864	39	189
Contributions subsequent to the measurement date	90,536	36,357	253	541
Changes in proportion	16,514	5,054	386	295
Total	$ 120,719	46,275	678	1,025

Deferred Inflows of Resources

	Governmental activities	Business-type activities	First 5 Contra Costa Children and Families Commission	Housing Authority
Differences between expected and actual experience	$ 44,687	15,903	127	1,616
Changes in assumptions	5	2		
Net difference between projected and actual earnings on retirement plan investments	116,862	41,588	333	618
Changes in proportion	20,819	7,377	15	36
Total	$ 182,373	64,870	475	2,270

Deferred outflows of resources and deferred inflows of resources above represent the unamortized portion of changes to net pension liability to be recognized in future periods in a systematic and rational manner.

$90,536,000 and $36,357,000 reported as deferred outflows of resources for governmental and business-type activities, respectively, resulting from county contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows (in thousands):

Fiscal Year Ended	Governmental activities Amount	Business-type activities Amount
06/30/19	$ (22,557)	(7,821)
06/30/20	(11,121)	(4,217)
06/30/21	(61,875)	(22,344)
06/30/22	(56,637)	(20,571)
	$ (152,190)	(54,953)

Actuarial Assumptions

The Total Pension Liability (TPL) as of December 31, 2017, was determined by actuarial valuation as of December 31, 2016. The actuarial assumptions used were based on the results of an experience study for the period January 1, 2012, through December 31, 2014. They are the same as the assumptions used in the CCCERA funding valuations as of December 31, 2016, and December 31, 2015. In particular, the following actuarial assumptions were applied to all periods included in the measurement for both the December 31, 2017, and December 31, 2016, actuarial valuations:

Inflation	2.75%
Salary increases	General: 4.00% to 13.25% and Safety: 4.00% to 13.75%, varying by service, including inflation
Investment rate of return	7.00%

The long-term expected rate of return on pension plan investments was determined in 2016 using a building-block method in which expected future real rates of return (expected returns, net of inflation) are developed for each major asset class. Those returns are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adding expected inflation and subtracting expected investment expenses and a risk margin.

The target allocation (approved by the Board) and projected arithmetic real rates of return for each major asset class, after deducting inflation but before deducting investment expenses, used in the derivation of the long-term expected investment rate of return assumption are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Large Cap U.S. Equity	6.00 %	5.75 %
Developed International Equity	10.00	6.99
Emerging Markets Equity	14.00	8.95
Short-Term Govt/Credit	24.00	0.20
U.S. Treasury	2.00	0.30
Real Estate	7.00	4.45
Cash & Equivalents	1.00	(0.46)
Risk Diversifying Strategies	2.00	4.30
Private Credit	17.00	6.30
Private Equity	17.00	8.10
Total	100.00 %	

Discount Rate

The discount rate used to measure the TPL was 7.00%. The projection of cash flows used to determine the discount rate assumed employer and employee contributions will be made at rates equal to the actuarially determined contribution rates. For this purpose, only employee and employer contributions

that are intended to fund benefits for current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs for future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, the Plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments for current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL as of December 31, 2017.

Sensitivity of the County's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the County's proportionate share of the Net Pension Liability (NPL) of the CCCERA as of December 31, 2017, which is allocated to all employers, calculated using the discount rate of 7.00%, as well as what the county's NPL would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate (in thousands):

	1% Decrease 6.00%	Discount Rate 7.00%	1% Increase 8.00%
County's proportionate share of the net pension plan liability	$ 1,403,634	$ 614,569	$ (230,955)

C. First 5 Contra Costa Children and Families Commission

First 5 Contra Costa Children and Families Commission is a discretely presented component unit and is an active participant of CCCERA. As of June 30, 2018, the proportionate share of net pension liability was $1,289,000.

First 5 Contra Costa Children and Families Commission issues a publicly available financial report that includes financial statements and required supplementary information for the plan. The report may be obtained by submitting a request in writing to the following address:

First 5 Contra Costa Children and Families Commission
1485 Civic Court, Suite 1200, Concord, CA 94520

D. Housing Authority of the County of Contra Costa

The Housing Authority is a discretely presented component unit and is an active participant of CCCERA. As of March 31, 2018, the proportionate share of net pension liability was $6,267,000.

The Housing Authority issues a publicly available financial report that includes financial statements and required supplementary information for the plan. The report may be obtained by submitting a request in writing to the following address:

Housing Authority of the County of Contra Costa
3133 Estudillo Street, Martinez, CA 94553

15. OTHER POSTEMPLOYMENT BENEFIT (OPEB)

A. General Information about the OPEB Plan

Plan Description

The County of Contra Costa administers the County of Contra Costa Post Retirement Health Benefits Plan (the Plan), an agent multiple employer defined benefit health care plan. Currently, the plan provides postemployment medical and dental insurance benefits to eligible retired employees and their dependents. Health benefit provisions for active employees are established and may be amended through negotiations between the county and the respective bargaining units. See Note 18 Commitments and Contingencies-B. Health Insurance. The county does not issue a separate audit report on its Post Retirement Health Benefits Plan.

The Contra Costa County Board of Supervisors (Board of Supervisors) appointed the Auditor-Controller, Chief Administrative Officer, Director of Finance, Contra Costa Regional Medical Center Finance Director, and the Treasurer-Tax Collector as the Plan's Board of Trustees. The Treasurer-Tax Collector has been designated as the Plan Administrator. As of June 30, 2018, Public Agency Retirement Services is the Trust Administrator.

The Board of Supervisors has the right at any time and for any reason, in its sole discretion, to modify, alter, or amend the Plan in whole or in part, in any manner and without limit, including reducing or eliminating the payment of any benefits. Benefits provided under this plan for a retired employee of an employer and his or her spouse or dependent shall be paid from the assets contributed to the Public Agencies Post-Retirement Health Care Plan (Trust) by the employee's employer and not from the assets contributed by any other employer. Union Bank of California (Trustee) shall, upon the written direction of the Plan Administrator, make distributions from the assets of the Trust to the insurers, third party administrators, health care and welfare providers or other entities providing Plan benefits or services, or to the employer for reimbursement of Plan benefits and expenses paid by the employer.

Benefits Provided

The county contracts with Kaiser Permanente, Health Net, Contra Costa Health Plans, and the California Public Employees' Retirement System (CalPERS) to provide medical benefits and Delta Dental and PMI Deltacare for dental benefits.

The Contra Costa County Board of Supervisors has adopted changes to the subsidy the county currently pays toward eligible retirees' monthly medical and dental premiums for both safety and non-safety employees. This subsidy varies by bargaining unit and date of hire.

- Currently, eligible retirees from all bargaining units not specifically listed below may receive county subsidies towards medical and dental premiums in the same amounts as active employees, with no future increases in this subsidy amount. Employees hired on or after dates described in the table below and represented by the following bargaining groups, who are eligible for access to county health plans as retirees, must pay the entire cost of premiums to maintain coverage at retirement.

Bargaining Unit Name	Hire Date on or after which eligible retirees must pay entire cost of premiums
IFPTE, Unrepresented	January 1, 2009
AFSCME, Western Council of Engineers, SEIU, and PEU	January 1, 2010
Deputy District Attorneys Association	December 14, 2010
Probation Peace Officers Association of CCC	January 1, 2011
CCC Public Defenders Association	March 1, 2011

- Currently, for eligible retirees from the Deputy Sheriffs' Association, the county will contribute toward the cost of monthly medical premiums an amount equal to the actual dollar monthly premium amount paid by the county as of November 30, 2013, at each coverage level, plus 50% of the actual premium increase for 2014 and all future years.

- Currently, for eligible Fire Management retirees represented by United Chief Officers Association, the Contra Costa County Fire Protection District will subsidize an amount equal to 80% of the CalPERS Kaiser Bay Area premium at each coverage level for any region in which the retiree resides, but the County's subsidy will not exceed the total premium of a lower cost plan..

- Currently, for eligible retirees from the District Attorney Investigators' Association, the county will pay a subsidy toward the cost of monthly medial premiums. If there is an increase in the monthly premium charged by a health plan for 2015 that exceeds the above stated amounts, the County and the retiree will each pay 50% of that increase. For 2016, the County premium subsidy varies by plan depending on the actual premium increase that occurred for each plan. For each calendar year thereafter, the County and the retiree will each pay 50% of any premium increase for each health plan.

- Currently, for eligible retirees from the Physicians and Dentists Organization of Contra Costa, the California Nurses Association, and IAFF Local 1230, the county district subsidizes a percentage of monthly premiums that varies depending on the medical and dental plan elected.

Currently, eligible county retirees may participate in the plans upon retirement from the county, drawing a pension from CCCERA. Currently, eligible members in deferred retirement status may participate in county health plans as retirees, so long as they begin receiving a pension from CCCERA within 24 months of separation from the county.

	Primary Government
Active plan members	9,041
Retirees and beneficiaries receiving benefits	6,735

Contributions

The county makes all contributions to the Trustee. All contributions are paid to the Trustee for investment and reinvestment pursuant to the terms of the Public Agencies Post-Retirement Health Care Plan Trust Agreement.

The contribution requirements for active employees and the county are established and may be amended through negotiations between the county and the respective bargaining units. For the fiscal year ended June 30, 2018, the funding was based on the "pay-go" basis plus a contribution of $21,100,000 to the Contra Costa County Other Employee Benefit Trust Fund. For fiscal year ended June 30, 2018, the county paid $46,677,000 as the "pay-go" cost (approximately 50.9% of total contributions).

The contributions for fiscal year ended June 30, 2018, were as follows (in thousands):

		Retirees
Total blended premiums at $6,931 per plan member	$	46,677
Implicit rate subsidy		9,213
Employer pre-funding contributions		21,100
Total Employer Contributions	$	76,990

Certain plan members and survivors of retirees receiving benefits contributed $14,711,000, or approximately 16.0% of the total contributions, through their required contribution.

Investments

The Plan's policy in regard to the allocation of invested assets is established and may be amended by the Plan Administrator. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the Plan. The following was the adopted asset allocation policy as of June 30, 2018:

	Expected 1-Year Nominal Return	Targeted Asset Allocation
Total Domestic Equity:		
Large Cap	7.10 %	17.00 %
Mid Cap	7.70	6.00
Small Cap	8.42	8.00
Global Equity (Developed)	7.83	7.00
International Equity	8.43	9.00
U.S. Fixed Income	4.98	38.00
Real Estate	7.79	4.00
Cash (Money Market)	3.08	1.00
Alternatives	6.69	10.00

B. OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB

Annual OPEB Expense and Net OPEB Liability

For the purposes of allocating the net OPEB liability within the county's CAFR, prior retiree eligibility was used. The allocation is determined by a ratio of retirees and the department the retiree retired from.

At June 30, 2018, the county reported $662,517,000 for the net OPEB liability. The net OPEB liability was measured as of June 30, 2018, and the total OPEB liability used to calculate the net OPEB liability was based on an actuarial valuation as of January 1, 2018. The county's net OPEB liability was based on a projection of the county's covered payroll of $724,667,000.

Plan Fiduciary Net Position (plan assets) was valued as of the measurement date while the total OPEB liability was determined based upon rolling forward the total OPEB liability from actuarial valuations as of January 1, 2018. As of June 30, 2018, the Plan Fiduciary Net Position was $269,670,000.

For the year ended June 30, 2018, the County recognized OPEB expense of $65,105,000. OPEB expense represents the change in the net OPEB liability during the measurement period, adjusted for service cost, interest on the total OPEB liability, and expected investment return, net of investment expense.

The components of the net OPEB liability as of June 30, 2018, were as follows (in thousands):

		Total OPEB Liability	Increase/(Decrease) Plan Fiduciary Net Position	Net OPEB Liability
Balance as of June 30, 2017	$	928,782	235,216	693,566
Service cost		27,828		27,828
Interest on the total OPEB liability		58,068		58,068
Difference between actual and expected experience with regard to econcomic or demographic factors		(45,206)		(45,206)
Changes of assumptions		18,605		18,605
[1] Benefit payments		(55,890)	(55,890)	0
Contributions from employer			76,990	(76,990)
Net investment income			13,354	(13,354)
Total Changes		3,405	34,454	(31,049)
Balance as of June 30, 2018	$	932,187	269,670	662,517

[1] Benefit payments are net of shared costs between employer and retiree/survivior benefits

Changes in Assumptions

The discount rate, health cost trends, and demographic rates were changed since the fiscal year ending June 30, 2017. The following table shows a summary of the impacts to the total OPEB liability:

Health cost trends updated	$	(14,619)
Demographic raes updated to align with demographic assumptions used in the December 31, 2017, CCCERA Pension Actuarial Valuation report		23,980
Discount rate changed from 6.25% to 6.15%		9,244
Total	$	18,605

Decrease in Actual and Expected Experience

The following table shows a summary of the change in total OPEB liability due to plan experience that was different than assumed:

Difference between actual and expected experience-health costs	$	(26,933)
Difference between actual and expected experience-demographic factors		(18,273)
Total	$	(45,206)

Deferred Inflows and Outflows of Resources

Deferred Inflows and Outflows of Resources are the portion of changes in net OPEB liability that is not immediately recognized in OPEB Expense. These changes include contributions subsequent to the measurement date and differences between expected and actual experience, changes in assumptions, and differences between expected and actual earnings on plan investments.

At June 30, 2018, the county reported deferred outflows of resources and deferred inflows of resources related to OPEB for the following sources (in thousands):

Deferred Outflows of Resources

	Governmental activities	Business-type activities	First 5 Contra Costa Children and Families Commission	Housing Authority
Net difference between projected and actual earnings on OPEB plan investments	$ 1,348	249		
Contributions subsequent to the measurement date			31	468
Changes in assumptions	12,947	2,388		
Total	$ 14,295	2,637	31	468

	Governmental activities	Business-type activities	First 5 Contra Costa Children and Families Commission	Housing Authority
Differences between expected and actual experience	$ 31,456	5,805		8
Net difference between projected and actual earnings on OPEB plan investments	2,951	544	3	4
Total	$ 34,407	6,349	3	12

$14,295,000 and $2,637,000 reported as deferred outflows of resources and $34,407,000 and $6,349,000 reported as deferred inflows of resources for governmental and business-type activities, respectively will be recognized in OPEB expense in future periods as follows:

Fiscal Year Ended		Governmental activities Amount	Business-type activities Amount
06/30/19	$	(4,023)	(742)
06/30/20		(4,023)	(742)
06/30/21		(4,023)	(742)
06/30/22		(4,022)	(743)
06/30/23		(4,021)	(743)
	$	(20,112)	(3,712)

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the plan and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The county began pre-funding benefits at a rate of $20 million–per year in fiscal year ended June 30, 2009. The Board has budgeted $20,000,000 to pre-fund the OPEB liability in fiscal year ending June 30, 2019. Until January 1, 2015, CCCERA personnel were employees of the county. The OPEB liability of

employees of CCCERA who retired as county employees before January 1, 2015, is included with the county's data.

The total OPEB liability was determined by an actuarial valuation as of January 1, 2018, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation: 2.75 percent

Salary increases:

Years of Service	General	Safety
Less than 1	13.59 %	14.11 %
1	10.75	10.75
2	8.69	9.20
3	7.14	7.91
4	6.10	6.36
5	5.59	5.07
6	5.07	4.55
7	4.81	4.50
8	4.55	4.45
9	4.50	4.40
10	4.45	4.35
11	4.40	4.30
12	4.30	4.24
13	4.19	4.14
14	4.09	4.09
15 or more	4.04	4.04

Investment rate of return: 6.15 percent, net of OPEB plan investment expense

Demographic Assumptions: The assumed rates for mortality, retirement, disability and withdrawal are consistent with assumptions used in the December 31, 2016, CCCERA Actuarial Valuation. These assumptions were adopted by CCCERA in connection with a study of experience during 2010-2012.

Health Cost Trend: The assumed overall health costs of the medical benefits will increase according to the health cost inflation trend derived by using the "Getzen" model, with rates ranging from 4.5% to 8.25% developed by the Society of Actuaries. Under the Patient Protection and Affordable Care Act of 2010, including changes passed into law on December 18, 2015, a Federal excise tax will apply for high cost health benefits beginning in 2020. A margin to reflect to impact of the excise tax in future years is reflected in the assumed trend. Dental costs assume an annual increase of 4.0%.

Discount Rate

In the January 1, 2018, actuarial valuation, the projected unit credit cost method was used. The actuarial assumptions included a 6.15% discount rate, a 0.10% change from the prior year discount rate of 6.25%. This rate was derived based on the OPEB fund's investment policy for a partially funded plan and includes a 2.75% long-term inflation assumption.

The actuarial cost method used for determining the benefit obligations is the individual Entry Age Normal Cost Method. Under the principles of this method, the actuarial present value of the projected benefits of each individual included in the valuation is allocated as a level percentage of expected salary for each year of employment between entry age (defined as age at hire) and assumed exit.

The portion of this actuarial present value allocated to a valuation year is called the normal cost. The portion of this actuarial present value not provided for at a valuation date by the sum of (a) the actuarial value of the assets, and (b) the actuarial present value of future normal costs is called the Unfunded Actuarial Accrued Liability (UAAL).

A discount rate of 6.15% was used in the valuation to reflect the county's current policy of partially funding its OPEB liabilities. This rate is derived based on the fund's investment policy, level of partial funding, and includes a 2.75% long-term inflation assumption. County OPEB Irrevocable Trust assets are invested in the Public Agency Retirement Services' Highmark Portfolio. Based on the portfolio's target allocation (shown below), the average return of Trust assets over the next 50 years is expected to be 6.12%.

GASB 74 and 75 require that a projection regarding future solvency of the OPEB plan be run each year. The projections assume that plan assets earn the assumed rate of return and there are no future changes in the plan provisions or actuarial methods and assumptions. A solvency projection as prescribed in GASB 74 and 75 based on the county's current funding policy, and the Fiduciary Net Position is always projected to be sufficient to cover annual benefit payments and administrative expenses. Therefore, a 6.15% discount rate was used.

Sensitivity of the County's Net OPEB Liability to Changes in the Discount Rate

The following presents the county's net OPEB liability as of June 30, 2018, calculated using the discount rate of 6.15%, as well as what the county's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.15%) or 1-pecentage-point higher (7.15%) than the current rate (in thousands):

	1% Decrease 5.15%	Discount Rate 6.15%	1% Increase 7.15%
Net OPEB liability as of June 30, 2018	$ 764,503	$ 662,517	$ 576,743

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates

The following presents the net OPEB liability of the Plan, as well as what the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates (in thousands):

	1% Decrease in Healthcare Costs Trend Rate	Current Healthcare Costs Trend Rate	1% Increase in Healthcare Costs Trend Rate
Net OPEB liability as of June 30, 2018	$ 608,327	$ 662,517	$ 728,786

C. First 5 Contra Costa Children and Families Commission

First 5 Contra Costa Children and Families Commission is a discretely presented component unit. Its personnel are covered by a separate OPEB plan administered by First 5 Contra Costa Children and Families Commission. As of June 30, 2018, the net OPEB liability was $271,000.

First 5 Contra Costa Children and Families Commission issues a publicly available financial report that includes financial statements and required supplementary information for the OPEB plan. The report may be obtained by submitting a request in writing to the following address:

First 5 Contra Costa Children and Families Commission
1485 Civic Court, Suite 1200, Concord, CA 94520

D. Housing Authority of the County of Contra Costa

The Housing Authority of the County of Contra Costa (Housing Authority) is a discretely presented component unit. Its personnel are covered by a separate OPEB plan administered by the Housing Authority. As of March 31, 2018, the net OPEB liability was $5,726,000.

The Housing Authority issues a publicly available financial report that includes financial statements and required supplementary information for the plan. The report may be obtained by submitting a request in writing to the following address:

Housing Authority of the County of Contra Costa
3133 Estudillo Street, Martinez, CA 94553

16. PATIENT SERVICE REVENUE AND RECEIVABLES

The County Hospital grants credit without collateral to its patients, most of whom are local residents and are insured under third-party payer agreements. Charges for services are reported at estimated net realizable amounts from patients, third-party payers and others for services rendered and include estimated retroactive revenue adjustments due to future audits, reviews, and investigations. Retroactive adjustments are considered in the recognition of revenue on an estimated basis in the period the related services are rendered, and such amounts are adjusted in future periods as adjustments become known or as years are no longer subject to such audits, reviews, or investigations.

Laws and regulations governing the Medicare and Medi-Cal programs are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term. The County Hospital's Medicare and Medi-Cal cost reports have been audited by fiscal intermediaries through June 30, 2015. As such, the cost reports for the prior year are still under review by fiscal intermediaries and have not been settled due to certain unresolved reimbursement issues. As of June 30, 2018, the county reported $127,831,000 as reserve for supplemental payments, which primarily represents reserves for supplemental payments received and settlement liabilities related to cost reports. The county believes it has adequately provided for any liabilities that may arise from the fiscal intermediaries' audits.

The Contra Costa County Regional Medical Center (CCCRMC) meets the requirements of a Hospital-Based Federally Qualified Health Center (FQHC) under Section 330(h) of the Public Health Service Act and is reimbursed under Medi-Cal's FQHC program, which covers a large percentage of its outpatient clinic patients. Revenues for this type of reimbursement are included in net patient service revenue on the Statement of Revenues, Expenses and Changes in Net Position.

On December 3, 2014, Centers for Medi-Cal and Medicare issued a final rule on Medicaid Department of Health Services payments. The preamble to Centers for Medi-Cal and Medicare's final rule included language explaining the exclusion of uncompensated costs of FQHCs for purposes of calculating hospital-specific Department of Health Services payments. While this exclusion has not been previously applied in the calculation of Department of Health Services payments to California public hospitals, Centers for Medi-Cal and Medicare is taking the position that the exclusion is consistent with Centers for Medi-Cal and Medicare's policy articulated in prior regulatory guidance, including a December 19, 2008, Department of Health Services final rule. As a result, on May 19, 2016, Department of Healthcare Services notified the Medical Center that it is incorporating Centers for Medi-Cal and Medicare's policy into Department of Health Services audits and Department of Health Services reconciliations effective for fiscal year 2012-2013. Department of Healthcare Services has also instructed the Medical Center to exclude uncompensated FQHC costs in future data submissions related to Department of Health Services payments for subsequent years. Department of Healthcare Services recently requested the Medical Center to resubmit its P14 workbooks for fiscal year 2010-2011 and fiscal year 2011-2012, which the Medical Center declined to do, but did provide FQHC revenues and costs under protest. The Department of Health Services audit for fiscal year 2013-2014 is currently in progress.

Management estimates the application of this policy by Centers for Medi-Cal and Medicare will have a material adverse effect on the Medical Center's financial position and recorded a liability for the potential recoupment of prior year Department of Health Services payments. However, the Medical Center disputes the Centers for Medi-Cal and Medicare policy and its retroactive application and has joined five other public hospitals in a lawsuit filed against Centers for Medi-Cal and Medicare to protect its ability to continue providing essential health care services to Medi-Cal and uninsured patients. Although management of the Medical Center cannot predict the ultimate outcome of this lawsuit with certainty, it believes it has recorded sufficient reserves to account for potential losses as a result of an unfavorable outcome.

Net receivables from patients and third-party payers at June 30, 2018, are summarized as follows (in thousands):

Medi-Cal	$	26,941
Private insurance		5,335
Patient Receivables		32,276
Medicare		(6,373)
Total Net Patient Receivables	$	25,903

Net receivables from supplemental payment programs (non-charge based) at June 30, 2018, are summarized as follows (in thousands):

Global Payment Program (GPP)	$	19,341
Public Hospital Redesign and Incentives (PRIME)		20,501
Quality Incentive Program (QIP)/Enhanced Payment Program (EPP)		8,000
Medical Certified Public Expenditure (CPE) Settlement		11,392
Rate Range Affordable Care Act (ACA)		6,895
Miscellaneous Program Payments		2,240
Allowance for supplemental payment programs		(4,424)
Total	$	63,945

The Global Payment Program (GPP) is a reimbursement mechanism that provides payment to the Hospital and Health Centers for treating the uninsured. The program provides financial incentives for shifting the focus away from hospital-based inpatient care toward primary care, preventive care, and alternative care. It includes changes in reimbursement structures that are based on health outcomes and not on process or solely on the number of visits. Payment is made three to twelve months after the fiscal year based on filed CCRMC certifications.

The Public Hospital Redesign and Incentives in Medi-Cal (PRIME) program is an integral part of the California Medi-Cal Waiver. With PRIME, the Hospital and Health Centers are compensated on a "pay for performance" basis for showing improvements in ambulatory care, targeting high-risk populations, and using resources more efficiently. PRIME requires meeting goal benchmarks to obtain maximum funding. Payment is made three to twelve months after the fiscal year based on filed CCRMC certifications.

The Quality Incentive Program (QIP) and the Enhanced Payment Program (EPP) are pay-for-performance programs approved by the Centers for Medicare & Medicaid Services (CMS). Those programs are used to supplement the base rates public health care systems receive through Medi-Cal managed care contracts. The QIP and EPP require collaboration between public health care systems and Medi-Cal managed care plans. The QIP is a performance-based program that aligns clinical and quality measures with those that Medi-Cal managed care plans creating a shared interest in both entities working together to demonstrate improvement. Those programs are new for fiscal year 2017-2018 and replace programs expiring due to changes in federal statue. Payment is made three to twelve months after the fiscal year based on filed CCRMC certifications.

The Medi-Cal Certified Public Expenditure (AB 915) program provides for supplemental reimbursement for CCRMC costs in excess of state reimbursements. Excess cost is paid on an approximate fifty percent basis upon the filing and acceptance of the state certification forms.

Rate Range payments provide supplemental Managed Care revenues to CCRMC for care of the Medi-Cal population. Those state approved payments are structured through an intergovernmental transfer and are subject to federal approval. Payments typically lag twelve to eighteen months in arrears.

Miscellaneous program revenues represent an array of small settlements such as state grant payments and Electronic Medical Record Incentive payments that will be received in the next twelve months.

17. RISK MANAGEMENT

Internal Service Funds:

The county is exposed to various risk of loss related to liabilities and damages to the public at-large, as well as damage to, loss of, and destruction of assets and has obligations to provide its employees with negotiated and mandated benefits.

The county self-insures its employee dental, state unemployment, management long-term disability, workers' compensation, automotive liability, public liability, and medical liability exposures. The county reports the activities of these exposures through its internal service funds.

With respect to the workers' compensation, automotive liability, public liability, and medical liability exposures, the county purchases insurance for the following:

- Workers' compensation in excess of $750,000 per incident, with excess coverage provided through the CSAC-EIA (California State Association of Counties Excess Insurance Authority).
- General and auto liability in excess of $1 million per incident, to a limit of $50 million.
- Medical malpractice in excess of $1 million per incident, to a limit of $21.5 million above $1 million.

The county is self-insured for most insurable risk, except for insurance coverage provided by commercial insurance and reinsurance companies that are subject to the following:

- Airports liability and property damage coverage to a limit of $100 million with no deductible.
- Property insurance - all risk in excess of $50,000 per incident, to a limit of $600 million from loss by fire, lightning, and other perils.
- Property insurance - flood damage in excess of 2% per unit, $100,000 minimum and $500,000 maximum deductible per incident, to a limit of $600 million shared aggregate.
- Property insurance - earthquake in excess of 2% per unit, $100,000 minimum, to a limit of $740 million shared aggregate.
- Property insurance - terrorism to a limit of $750 million shared aggregate with a $500,000 deductible.

- Crime bond coverage in excess of $100,000 per incident, to a limit of $20 million for fidelity coverage, computer, and funds transfer fraud.
- Watercraft liability to a limit of $50 million.
- Sheriff's helicopters to a limit of $50 million per incident.
- Boiler and machinery to a limit of $100 million with a $5,000 deductible.
- Pollution liability to a limit of $10 million.
- Cyber liability to a limit of $2 million, plus notification costs to $250,000.

During the past four years, there have been no instances of the amount of claim settlements exceeding insurance coverage and there has not been a significant reduction in coverage in fiscal year 2017-2018.

Internal service funds are used to account for the county's self-insurance activities. The county's policy is to provide in each fiscal year, by charges to affected operating funds, amounts sufficient to cover the estimated expenditures for self-insured claims and the cost of insurance. Charges to operating funds are recorded as expenditures/expenses of such funds and revenues of the internal service funds. Accrual and payment of claims are recorded in the internal service funds.

The county has accrued a liability of $176,532,000 at June 30, 2018, for all self-insured claims in the internal service funds. The self-insurance reserve is based on actuarially determined amounts for workers' compensation, public and automobile liability, and medical liability and based on management's estimates for all other reserves. The actuarially determined claims liabilities, including incurred but not reported claims are based on the estimated ultimate cost of settling the claims, using past experience adjusted for current trends, and any other factors that modify past experience. It also includes incremental claim adjustment expenses. In addition, estimated recoveries on settled and unsettled claims were evaluated in terms of their estimated realizable value and deducted from the liability for unpaid claims.

Health Plans:

The county administers 2 health plans: HMO Medi-Cal and HMO Commercial Plans (Plans); which are reported as enterprise funds. The Plans have fee-for-service arrangements in which providers, including the County Hospital, bill for individual services provided to enrollees. These arrangements result in claim submission by providers subsequent to services being rendered. Claims expenses are presented as part of services and supplies expense in the statement of revenues, expenses, and changes in net position. Estimated liabilities for claims are presented as part of accounts payable and accrued liabilities in the statement of net position. The provision for claims incurred but not reported claims is developed in-house using principles and assumptions that consider among other things, contractual requirements, historical utilization trends and payment patterns, benefit changes, medical inflation, product mix, seasonality, membership, and other relevant factors.

Changes in claims liabilities:

Changes to the liability amount for fiscal years 2016-2017 and 2017-2018 are as follows (in thousands):

	Internal Service Funds	HMO Medi-Cal Plan Enterprise Fund
Liability at June 30, 2016	$ 175,918	66,428
FY 2016-2017 claims and changes in estimates	27,908	605,539
FY 2016-2017 claim payments	(31,637)	(621,630)
Liability at June 30, 2017	172,189	50,337
FY 2017-2018 claims and changes in estimates	28,338	629,754
FY 2017-2018 claim payments	(23,995)	(607,276)
Liability at June 30, 2018	$ 176,532	72,815

In the opinion of the county, the amounts accrued are adequate to cover claims incurred but not reported in addition to known claims.

18. COMMITMENTS AND CONTINGENCIES

A. Grants

The county participates in a number of federal and state grant programs which are subject to financial and compliance audits by the grantors or their representatives. Audits of certain grant programs through June 30, 2018, have not yet been conducted. Accordingly, the county's compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time. The county believes that such disallowances, if any, would not have a material effect on the basic financial statements.

B. Health Insurance

Health care benefits for active and retired employees are jointly financed by the beneficiaries and by the county. Most employees have a choice of participation in five medical plans: Kaiser Permanente, a private health maintenance organization (HMO); Health Net (HMO); Health Net, a preferred provider organization (PPO); and the Contra Costa Health Plans (CCHP) A and B, operated by the county Health Services Department. Employees represented by Teamsters Local 856 are eligible to participate in a Kaiser Permanente Plan administered by the Teamsters Union, in addition to the five medical plans. Employees represented by either the Deputy Sheriffs' Association (DSA), District Attorney Investigators' Association (DAIA), or United Professional Fire Fighters' IAFF Local 1230, United Chief Officers Association, and Unrepresented Fire Managers are eligible to participate in medical plans administered by the California Public Employees' Retirement System (CalPERS).

For non-CalPERS administered medical plans, the county subvents 53.5%-95.5% of Kaiser Permanente, 47.4%-80.0% of Health Net (HMO), 37.0%-54.7% of Health Net (PPO) and 76.4%-98.0% of CCHP A and 70.6%-98.0% of CCHP B premiums for plan members depending on the employees' union representation. The county subvention for the Teamsters administered plan is 89.9%-90.1%. The county subvention for CalPERS administered plans is a flat rate depending on the employees' union

representation and the number of dependents covered under the plans. All permanent employees have a choice of two dental plans as follows: a county self-funded plan administered by Delta Dental and a PMI Delta Care Plan. The county's self-funded plan is an indemnity program and the PMI Delta Care plan is a prepaid program.

The county's contribution to health and dental plans during fiscal year 2017-2018 for active employees was $104,673,000. The county's liability for health care benefits is limited to its annual contribution.

C. Special Assessment Debt

The county is considered to be "obligated in some manner," as defined by GASB Statement No. 6, *Accounting and Financial Reporting for Special Assessments*, for its special assessment debt. The county is obligated to foreclose on properties for which owners have failed to pay assessment installments as they fall due and the county may honor deficiencies to the extent that lien foreclosure proceeds are insufficient. The county's obligation to advance monies to pay debt service in the event of delinquent assessment installments is limited to the amount of remaining original bond proceeds and installments received. Special assessment debt is included in the county's statement of net position and special assessment transactions are included in the Assessment Districts Debt Service Fund. Debt service payments are made from special assessments of the related special assessment district.

D. Construction Commitments

The county entered into commitments for construction of certain projects. At June 30, 2018, there were outstanding commitments of $3,247,000 for Countywide roofing repairs, $96,556,000 for renovations of the Administration Building and Emergency Operations Center, $1,015,000 for Balfour Road shoulder widening, $2,096,000 for Marsh Creek Road Bridge Replacement, $1,526,000 for Installation of solar array on the new 651 parking lot, $11,884,000 for Expansion of the West County Health Center, $1,509,000 for Lower Walnut Creek Restoration Project, $1,840,000 for various repairs and remodeling (including structural concrete, roof installation, etc.), $1,518,000 for Demolition of Fire Station 16, $1,480,000 for the Health Services Department Negitive Pressure Chemotherapy Room and Outpatient Pharmacy Renovation, and $1,698,000 for ABCD Program Clinic Relocation.

E. Pending Legal Matters

Numerous lawsuits are pending or threatened against the county. The county has recorded actuarially determined reserves in the internal service funds to adequately cover estimated potential material adverse losses at June 30, 2018.

19. SPECIAL ITEM

On August 16, 2017, the Successor Agency to the Contra Costa County Redevelopment Agency closed its 2017 Tax Allocation Refunding Bonds at a par value of $72,625,000, and a net original issue premium of $9,977,000. The 2017 bonds were issued to prepay the 1999 tax allocation bonds, 2003A tax allocation bonds, and 2007A and B tax allocation bonds which had been issued by the County of Contra Costa Public Financing Authority, and secured by property tax revenues. The 2017 bonds are a special obligation of the Successor Agency to the Contra Costa County Redevelopment Agency and are not a

debt of the County of Contra Costa or the County of Contra Costa Public Financing Authority. Proceeds of the 2017 bonds were provided by the Successor Agency to the Contra Costa County Redevelopment Agency to governmental activities in the primary government to pay off the tax allocation bonds of $83,805,000. Since the removal of debt from the government-wide financial statements was deemed to be a significant transaction within the control of management that is infrequent in occurrence, it was classified as a special item on the government-wide statement of activities.

THE SEAL OF
CONTRA COSTA COUNTY CALIFORNIA

REQUIRED SUPPLEMENTARY INFORMATION (Other than MD&A)

COUNTY OF CONTRA COSTA
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
CURRENT YEAR AND PRIOR YEAR
(In Thousands)

County of Contra Costa

		2018	2017	
Total OPEB liability				
Service Cost	$	27,828	26,191	
Interest		58,068	56,298	
Differences between expected and actual experience		(45,206)		
Changes of assumptions		18,605		
Benefit payments		(55,890)	(55,718)	
Net change in total OPEB liability		3,405	26,771	
Total OPEB liability-beginning		928,782	902,011	
Total OPEB liability-ending (a)	$	932,187	928,782	
Plan fiduciary net position				
Contributions-employer	$	76,990	76,253	
Net investment income		13,354	18,705	
Benefit payments		(55,890)	(55,718)	
Net change in plan fiduciary net position		34,454	39,240	
Plan fiduciary net position-beginning		235,216	195,976	
Plan fiduciary net position-ending (b)	$	269,670	235,216	
Net OPEB liability-ending (a)-(b)	$	662,517	693,566	
# Plan fiduciary net position as a percentage of the total OPEB liability		28.93	25.33	%
# Covered payroll	$	724,667	677,479	
Net OPEB liability (asset) as a percentage of covered payroll		91.42	102.38	%

Revised

(continued)

COUNTY OF CONTRA COSTA
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
CURRENT YEAR AND PRIOR YEAR
(In Thousands)

First 5 Contra Costa Children and Families Commission

		2018	
Total OPEB liability			
Service Cost	$	33	
Interest		64	
Differences between expected and actual experience			
Changes of assumptions			
Benefit payments		(27)	
Net change in total OPEB liability		70	
Total OPEB liability-beginning		972	
Total OPEB liability-ending (a)	$	1,042	
Plan fiduciary net position			
Contributions-employer	$	52	
Net investment income		50	
Benefit payments		(27)	
Net change in plan fiduciary net position		75	
Plan fiduciary net position-beginning		696	
Plan fiduciary net position-ending (b)	$	771	
Net OPEB liability-ending (a)-(b)	$	271	
Plan fiduciary net position as a percentage of the total OPEB liability		74.00	%
Covered payroll	$	1,856	
Net OPEB liability (asset) as a percentage of covered payroll		14.60	%

Note to Schedule:
Fiscal year 2018 was the first year of implementation, therefore only one year is shown.

(continued)

COUNTY OF CONTRA COSTA
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
CURRENT YEAR AND PRIOR YEAR
(In Thousands)

Housing Authority

		2018	
Total OPEB liability			
Service Cost	$	183	
Interest		423	
Differences between expected and actual experience		(12)	
Changes of assumptions			
Benefit payments		(363)	
Net change in total OPEB liability		231	
Total OPEB liability-beginning		5,715	
Total OPEB liability-ending (a)	$	5,946	
Plan fiduciary net position			
Contributions-employer	$	458	
Net investment income		16	
Benefit payments		(363)	
Net change in plan fiduciary net position		111	
Plan fiduciary net position-beginning		109	
Plan fiduciary net position-ending (b)	$	220	
Net OPEB liability-ending (a)-(b)	$	5,726	
Plan fiduciary net position as a percentage of the total OPEB liability		3.84	%
Covered payroll	$	N/A	
Net OPEB liability (asset) as a percentage of covered payroll		N/A	%

Note to Schedule:
Fiscal year 2018 was the first year of implementation, therefore only one year is shown.

(concluded)

COUNTY OF CONTRA COSTA
ANNUAL MONEY-WEIGHTED RATE OF RETURN ON OPEB ASSETS
CURRENT YEAR AND PRIOR YEAR
(In Thousands)

County of Contra Costa

	2018	2017
Annual money-weighted rate of return, net of investment expense	5.49	9.18 %

Notes to Required Supplementary Information

Changes of benefit terms

In the January 1, 2018, actuarial valuation, there was no change of benefit terms.

Actuarially Determined Contribution

A target or recommended contribution to an OPEB plan for the reporting period, determined based on the funding policy and most recent measurement available when the contribution for the reporting period was adopted. The county's current funding policy is to fund the pay-as-you-go costs for retirees, plus $20 million into the OPEB Trust each year until year 2022. Beginning in 2022 the county will contribute $20 million plus an additional $53 million until the OPEB fund's fiduciary net position as a percentage of total OPEB liability is 60%. After that, the county will contribute an amount to maintain the 60% funded status. As of the January 1, 2018, actuarial valuation the county did not engage the actuary to provide the actuarially determined contribution.

COUNTY OF CONRA COSTA

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

CURRENT YEAR AND THREE YEARS AGO

(In Thousands)

	Reporting Date for Employer under GASB 68 as of June 30	Proportion of the Net Pension Liability		Proportionate Share of Net Pension Liability		Covered Payroll	Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll		Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	
County	2018	62.06	%	$ 503,560		680,812	73.96	%	92.40	%
CCCFPD	2018	13.58		110,215		38,009	289.97		88.88	
IHSS	2018	0.10		794		864	91.90		88.49	
TOTAL 2018		75.74	%	$ 614,569		719,685	85.39	%		
County	2017	67.07	%	$ 939,305		636,086	147.67	%	85.20	%
CCCFPD	2017	11.93		167,124		39,953	418.30		82.69	
IHSS	2017	0.09		1,295		821	157.73		80.32	
TOTAL 2017		79.09	%	$ 1,107,724		676,860	163.66	%		
County	2016	67.95	%	$ 1,024,105		642,218	159.46	%	83.30	%
CCCFPD	2016	11.57		174,341		44,016	396.09		81.54	
IHSS	2016	0.09		1,293		721	179.33		77.84	
TOTAL 2016		79.61	%	$ 1,199,739		686,955	174.65	%		
County	2015	67.52	%	$ 807,350		599,275	134.72	%	86.21	%
CCCFPD	2015	9.72		116,263		39,759	292.42		86.85	
IHSS	2015	0.09		1,040		607	171.33		79.57	
TOTAL 2015		77.33	%	$ 924,653		639,641	144.56	%		
First 5 Contra Costa	2018	0.00	%	1,289		2,405	53.59	%	91.18	%
Children and Families	2017	0.17		$ 2,424		2,140	113.25		84.16	
Commission	2016	0.16		2,465		1,963	125.57		82.24	
	2015	0.14		1,683		1,735	97.01		85.25	
Housing Authority	2018	0.77	%	$ 6,267		5,184	120.91	%	89.72	%
of the County of	2017	0.73		10,163		5,216	194.84		82.73	
Contra Costa#	2016	0.72		10,788		4,842	222.81		80.83	

COUNTY OF CONTRA COSTA
SCHEDULE OF PENSION CONTRIBUTIONS
CURRENT YEAR AND THREE YEARS AGO
(In Thousands)

		Reporting Date for Employer under GASB 68 as of June 30	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution[1]	Covered Payroll	Contributions as a Percentage of Covered Payroll
County	$	2018	$ 227,516	227,516	680,812	33.42 %
CCCFPD		2018	25,170	25,170	38,009	66.22
IHSS		2018	317	317	864	36.69
TOTAL 2018	$		253,003	253,003	719,685	
County	$	2017	223,359	223,359	636,086	35.11 %
CCCFPD		2017	24,615	24,615	39,953	61.61
IHSS		2017	306	306	821	37.27
TOTAL 2017	$		248,280	248,280	676,860	
County	$	2016	237,357	237,357	642,218	36.96 %
CCCFPD		2016	23,266	23,266	44,016	52.86
IHSS		2016	296	296	721	41.05
TOTAL 2016	$		260,919	260,919	686,955	
County	$	2015	215,795	215,795	599,275	36.01 %
CCCFPD		2015	17,825	17,825	39,759	44.83
IHSS		2015	244	244	607	40.20
TOTAL 2015	$		233,864	233,864	639,641	
First 5 Contra Costa	$	2018	660	660	2,488	26.54 %
Children and Families		2017	589	589	2,204	26.71
Commission		2016	604	604	2,026	29.84
		2015	595	595	1,852	32.11
Housing Authority	$	2017	2,150	2,150	5,184	41.48 %
of the County of	[2]	2016	2,179	2,179	5,216	41.78
Contra Costa		2015	2,330	2,330	4,841	48.12

[1] The county prepays an annual contribution in July and CCCERA recognizes the payment over the course of the fiscal year.
[2] The Housing Authority of the County of Contra Costa implemented GASB Statement No. 68 in 2016.

COUNTY OF CONTRA COSTA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2018

(In Thousands)

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	$ 386,935	386,938	404,317	17,379
Licenses, permits and franchise fees	10,819	10,819	12,470	1,651
Fines, forfeitures and penalties	24,643	24,509	24,959	450
Use of money and property	5,283	5,309	11,007	5,698
Intergovernmental	566,756	574,240	552,539	(21,701)
Charges for services	253,397	244,356	235,014	(9,342)
Other revenue	314,487	316,369	290,926	(25,443)
Total revenues	1,562,320	1,562,540	1,531,232	(31,308)
Expenditures:				
Current:				
General government:				
Administrator	15,259	15,469	14,240	1,229
Assessment Litigation Services		370	370	
Assessor	17,486	17,116	15,700	1,416
Auditor-Controller	9,989	9,989	8,447	1,542
Board Mitigation Programs	2,075	2,075	228	1,847
Board of Supervisors	15,584	15,584	5,962	9,622
Building Maintenance	49,802	53,913	51,383	2,530
Building Occupancy Cost	25,193	25,289	25,289	
Clerk of the Board	1,138	1,138	995	143
County Counsel	7,730	7,730	6,031	1,699
County-State-WCCHCD IGT		3	2	1
Crockett-Rodeo Revenues	800	800	391	409
Economic Development	1,151	1,151	967	184
Elections	12,561	12,561	12,457	104
Employee Benefits	22,416	22,416	5,139	17,277
Facility Life Cycle Improvement Program	35,572	35,572	10,207	25,365
Fleet Services	483	529		529
General Services Outside Agency Service	766	766	721	45
Human Resources	11,750	11,750	8,981	2,769
Information Technology	4,788	4,838	4,131	707
Insurance and Risk Management	10,293	10,293	9,196	1,097
Keller Canyon Mitigation	1,899	1,899	1,243	656
Management Information Systems	2,146	2,146	651	1,495
Personnel Merit Board	91	91	46	45
Plant Acquisition	30,626	74,089	21,285	52,804
Print and Mail Services	884	848	763	85
Purchasing	937	792	791	1
Telecommunications	4,516	4,516	4,120	396
Treasurer-Tax Collector	5,452	5,572	5,450	122
UAAL Pension Bond Debt Service Transfer	(2,583)	(2,583)	(2,583)	
Total general government	288,804	336,722	212,603	124,119

(continued)

COUNTY OF CONTRA COSTA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2018

(In Thousands)

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
Public protection:				
Agriculture	6,505	6,505	5,998	507
Animal Services	12,626	12,642	12,137	505
Child Support Services	120	120		120
Civil Grand Jury	156	156	140	16
Conflict Defense Services	4,818	4,818	4,756	62
Coroner	3,330	3,581	3,429	152
Criminal Grand Jury	88	88	44	44
District Attorney	41,618	41,937	41,697	240
Emergency Services	7,056	7,230	6,598	632
Flood Control	852	852	565	287
Jail	86,032	81,598	80,498	1,100
Jail - Health Services	24,740	25,288	25,287	1
Law and Justice Systems	11,546	11,546	1,306	10,240
Local Agency Information	252	285	252	33
Probation - Programs	33,463	34,555	30,086	4,469
Probation - Facilities	32,622	32,066	31,692	374
Probation - Care of Court Wards	11,427	11,427	7,251	4,176
Public Defender	25,325	26,159	26,108	51
Recorder	4,339	4,339	3,406	933
Sheriff	142,756	144,165	141,407	2,758
Trial Court Programs	18,243	18,243	17,820	423
Vehicle Theft Programs	2,112	2,112	899	1,213
UAAL Pension Bond Debt Service Transfer	(15,878)	(15,878)	(15,881)	3
Total public protection	454,148	453,834	425,495	28,339
Health and sanitation:				
Children's Services	10,446	12,473	10,074	2,399
Conservator/Guardianship	3,701	3,544	3,543	1
Environmental Health	22,004	20,486	19,254	1,232
Health Services Homeless Program	6,904	7,628	7,482	146
Mental Health	211,722	204,664	202,241	2,423
Public Administrator	629	1,207	1,008	199
Public Health	74,771	63,426	62,728	698
Solid Waste Management	368	368	354	14
Alcohol and Other Drugs Services	33,958	16,878	16,878	
UAAL Pension Bond Debt Service Transfer	(4,331)	(4,331)	(4,331)	
Total health and sanitation	360,172	326,343	319,231	7,112

(continued)

COUNTY OF CONTRA COSTA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2018

(In Thousands)

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
Public assistance:				
Cal Health Benefit Marketplace				
Community Development	12,719	12,719	7,135	5,584
Community Services	37,340	41,730	35,761	5,969
Housing Rehabilitation	940	940	241	699
EHSD - Administration	6,738	6,738	5,611	1,127
EHSD - Aging & Adult	60,042	67,298	62,971	4,327
EHSD - Ann Adler Child & Family	80	84	83	1
EHSD - Children and Family	121,691	122,317	113,014	9,303
EHSD - Workforce Services	204,109	203,357	199,766	3,591
EHSD - WFRC Investment Board	7,517	7,396	6,824	572
Veterans Services	1,427	1,427	1,272	155
Zero Tolerance Domestic Violence Initiative	2,669	2,669	2,628	41
UAAL Pension Bond Debt Service Transfer	(5,574)	(5,574)	(5,574)	
Total public assistance	449,698	461,101	429,732	31,369
Public ways and facilities:				
Public Works	40,781	40,812	34,852	5,960
Road Construction	2,803	2,803	1,146	1,657
UAAL Pension Bond Debt Service Transfer	(886)	(886)	(886)	
Total public ways and facilities	42,698	42,729	35,112	7,617
Total expenditures	1,595,520	1,620,729	1,422,173	198,556
Excess (deficiency) of revenues over (under) expenditures	(33,200)	(58,189)	109,059	167,248
Other Financing Sources (Uses):				
Transfers in	192	2,792	3,501	709
Transfers out	(56,550)	(58,544)	(58,489)	55
Capital lease financing			863	863
Total other financing sources (uses)	(56,358)	(55,752)	(54,125)	1,627
Net change in fund balances	(89,558)	(113,941)	54,934	168,875
Fund Balance at Beginning of Year	440,313	440,313	440,313	
Fund Balance at End of Year	$ 350,755	326,372	495,247	168,875

(concluded)

COUNTY OF CONTRA COSTA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

CCC FIRE PROTECTION DISTRICT SPECIAL REVENUE FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2018

(In Thousands)

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Taxes	$ 113,326	114,587	116,595	2,008
Fines, forfeitures and penalties			2	2
Use of money and property	1	1	2	1
Intergovernmental	3,780	4,202	4,867	665
Charges for services	53,001	53,001	59,126	6,125
Other revenue	1,600	5,433	4,662	(771)
Total revenues	171,708	177,224	185,254	8,030
Expenditures:				
Public protection				
Salaries and benefits	108,392	108,391	94,476	13,915
Services and supplies	58,787	53,958	47,759	6,199
Other charges	8,775	10,037	10,037	
Capital assets	3,783	8,756	2,713	6,043
Expenditure transfers	16,282	19,783	19,251	532
Total expenditures	196,019	200,925	174,236	26,689
Excess (deficiency) of revenues over (under) expenditures	(24,311)	(23,701)	11,018	34,719
Other Financing Uses:				
Transfers out	(3)	(3)		3
Capital lease financing			3,808	3,808
Total other financing uses	(3)	(3)	3,808	3,811
Net change in fund balance	(24,314)	(23,704)	14,826	38,530
Fund Balance at Beginning of the Year	60,783	60,783	60,783	
Fund Balance at End of Year	$ 36,469	37,079	75,609	38,530

See note to required supplementary information

BUDGETS AND BUDGETARY ACCOUNTING

In accordance with the provisions of the California Government Code Sections 29000-29145 and other statutory provisions, commonly known as the County Budget Act, the Board of Supervisors legally adopts a budget for each fiscal year. Budgets are adopted on the modified accrual basis. Prior to June 30 the County Administrator develops, recommends and the Board of Supervisors adopts a recommended budget for the next fiscal year. This is based on preliminary data because the county's books have not yet been closed, ending fund balances have not been established, and the state has not yet adopted its budget. Later, after a series of public hearings the Board of Supervisors adopts a formal budget on or before October 2. This budget establishes the maximum authorized expenditures for the fiscal year that cannot be exceeded except by subsequent amendments to the budget by the Board of Supervisors and is reported in the budgetary comparison schedule as the "Original Budget."

Supplemental appropriations, which are normally financed by unanticipated revenues during the year, and any amendments or transfers of appropriations between summary accounts or departments must be approved by the Board of Supervisors. Pursuant to a Board of Supervisors Resolution, the County Administrator is authorized to approve transfers of appropriations among summary accounts within a department as deemed necessary and appropriate. Accordingly, the legal level of budgetary control by the Board of Supervisors is at the department level. Budgeted amounts amended during the fiscal year by the County Administrator and, when necessary, by resolution of the Board of Supervisors are reported in the budgetary comparison schedule as the "Final Budget."

The objective of the county's budgetary controls is to ensure compliance with legal provisions embodied in the annual budget approved by the Board of Supervisors. No department is permitted to spend and/or encumber more than its available appropriations. Increases in budget appropriations must be approved by the Board of Supervisors as a transfer from the Reserve for Contingencies, as a transfer from another appropriation, or as an appropriation of new or unanticipated revenue. Using the county's automated accounting system, staff of the Auditor-Controller monitors the expenditures of each department to ensure that the departments don't exceed the amounts appropriated by the Board of Supervisors for the year. The county uses an encumbrance system as an extension of normal budgetary accounting. Under this system, purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to encumber that portion of applicable appropriations. Encumbrances outstanding at year-end are recorded as restricted, committed, and assigned fund balance, as appropriate, since they do not constitute expenditures or liabilities and are re-established, along with their encumbered appropriations as part of the following year's budget. Encumbrances that are re-established are liquidated using existing resources. Any appropriations remaining in the departments at the end of the fiscal year automatically lapse and are transferred to unassigned fund balance. The year-end fund balance, along with projected revenues, becomes available for appropriation the following year.

The amounts reported as expenditures by department include amounts charged to each department to service the pension obligation bond debt and the liability for the Retirement Litigation Settlement because the budget includes these amounts as expenditures. UAAL Pension Bond Debt Service Transfer and Retirement Litigation Settlement Transfer are reporting adjustments made at the function level to achieve agreement with the financial statements where these expenditures are reported as transfers in accordance with GASB.

COMBINING AND INDIVIDUAL FUND STATEMENTS AND BUDGETARY SCHEDULES

COUNTY OF CONTRA COSTA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2018
(In Thousands)

	Special Revenue Funds	Debt Service Funds	Capital Projects Fund	Permanent Fund	Total
Assets:					
Cash and investments	$ 542,753	20,248	721	90	563,812
Accounts receivable and accrued revenue	38,046	3,311		2	41,359
Due from other funds	4,581	230			4,811
Notes receivable	17,519				17,519
Prepaid items and deposits	2,839				2,839
Land held for resale	6,673				6,673
Restricted cash and investments	7,073	93,360	27	1,710	102,170
Total assets	$ 619,484	117,149	748	1,802	739,183
Liabilities, Deferred Inflows of Resources, and Fund Balances					
Liabilities:					
Accounts payable and accrued liabilities	$ 26,172	3,120	1		29,293
Due to other funds	108,233	8,110			116,343
Unearned revenue	4,257				4,257
Total liabilities	138,662	11,230	1		149,893
Deferred Inflows of Resources:					
Unavailable revenue	17,719				17,719
Total deferred inflows of resources	17,719				17,719
Fund Balances:					
Nonspendable	2,839			1,710	4,549
Restricted	369,331	110,437	747	92	480,607
Committed	342				342
Assigned	90,591				90,591
Unassigned		(4,518)			(4,518)
Total fund balances	463,103	105,919	747	1,802	571,571
Total liabilities, deferred inflows of resources, and fund balances	$ 619,484	117,149	748	1,802	739,183

COUNTY OF CONTRA COSTA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2018

(In Thousands)

	Special Revenue Funds	Debt Service Funds	Capital Projects Fund	Permanent Fund	Total
Revenues:					
Taxes	$ 83,114	11,274			94,388
Licenses, permits and franchise fees	23,179				23,179
Fines, forfeitures and penalties	5,768				5,768
Use of money and property	4,423	30,785	1	25	35,234
Intergovernmental	280,547				280,547
Charges for services	55,591				55,591
Other revenue	32,563	16,066			48,629
Total revenues	485,185	58,125	1	25	543,336
Expenditures:					
Current:					
General government	1,700	11,425			13,125
Public protection	172,145				172,145
Health and sanitation	46,965				46,965
Public assistance	142,057	10,866			152,923
Education	28,522				28,522
Public ways and facilities	66,382				66,382
Recreation and culture	2,038				2,038
Debt service:					
Principal		146,627			146,627
Interest	61	23,594			23,655
Total expenditures	459,870	192,512			652,382
Excess (deficiency) of revenues over (under) expenditures	25,315	(134,387)	1	25	(109,046)
Other Financing Sources (Uses):					
Transfers in	12,365	42,590			54,955
Transfers out	(15,381)	(9)		(58)	(15,448)
Proceeds on issuance of debt transferred from the RDA Successor Agency		83,805			83,805
Total other financing sources (uses)	(3,016)	126,386		(58)	123,312
Net change in fund balances	22,299	(8,001)	1	(33)	14,266
Fund Balances at Beginning of Year	440,804	113,920	746	1,835	557,305
Fund Balances at End of Year	$ 463,103	105,919	747	1,802	571,571

THE SEAL OF
CONTRA COSTA COUNTY CALIFORNIA

Nonmajor Special Revenue Funds

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for revenues that are restricted by law or administrative action to expenditures for specified purposes. Nonmajor special revenue funds used by the county are listed below:

ROAD FUND

This fund is used to account for maintenance and construction of roadways. Revenues consist primarily of the county's share of state highway user taxes and are supplemented by federal funds.

LIBRARY FUND

This fund is used to account for library services for all areas of the county except the city of Richmond. Property taxes provide most of the fund's revenues.

LOW & MODERATE INCOME HOUSING ASSETS

This fund is used to account for housing assets in accordance with the Community Development Law.

OTHER FIRE PROTECTION FUND

This fund is used to account for the Crockett-Carquinez Fire Protection District fire protection services in the county. The fund is financed primarily by property taxes.

HEALTH AND SANITATION FUND

This fund is used to account for a variety of health and sanitation services. The fund is financed by state grants, the county's share of the tobacco tax, and user fees.

LAND DEVELOPMENT FUND

This fund reports the growth management related activities of the Public Works Department and the Department of Conservation and Development.

SERVICE AREAS FUND

This fund is used to account for the provision of services such as lighting, park, or street maintenance by special districts to specific areas in the county. The fund is financed by property taxes and user charges.

FLOOD CONTROL FUND

This fund is used to account for the provision of services by special districts to control flood and storm waters. Revenues are primarily received from property taxes and federal grants.

LAW ENFORCEMENT FUND

This fund is used to account for a variety of law enforcement services financed by property taxes, narcotics seizures, and court fines and fees.

COURTS AND CRIMINAL JUSTICE FUND

This fund is used to account for the improvement of courthouse and criminal justice facilities and related automated information systems. Revenues are derived from court fines and fees.

RECORDER/CLERK MODERNIZATION FUND

This fund is used to account for automation of civil and small claims functions of the courts and for micrographics and modernization of the Recorder's Office. Revenues received are from filing and recording fees.

CHILD DEVELOPMENT FUND

This fund is used to account for the financial resources designated for the county's child development programs.

IN-HOME SUPPORTIVE SERVICES PUBLIC AUTHORITY (IHSS) FUND

This fund is used to account for services to both providers and recipients of in-home care delivered through the In-Home Supportive Services program.

COUNTY LOCAL REVENUE FUND 2011 SPECIAL REVENUE

This fund, as required by AB 118 in the implementation of State's Public Safety Realignment Program, permits the county to receive state realignment funding distributions.

OTHER SPECIAL REVENUE FUND

This fund is used to account for the activities of several non-grant special revenue funds. It includes Fish and Game, Vehicle License Fees (VLF) Securitization, Survey Monuments, Victim Assistance, Sans Crainte Drainage and county water districts.

THE SEAL OF
CONTRA COSTA COUNTY CALIFORNIA

COUNTY OF CONTRA COSTA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2018
(In Thousands)

	Road	Library	Low & Moderate Income Housing Assets	Other Fire Protection	Health & Sanitation	Land Development	Service Areas
Assets:							
Cash and investments	$ 63,536	28,689	4,162	569	99,379	11,214	33,265
Accounts receivable and accrued revenue	3,996	1,149		5	5,501	1,891	478
Due from other funds	931					725	408
Notes receivable			7,591			3,124	
Prepaid items and deposits	12	368	85			475	
Land held for resale			6,673				
Restricted cash and investments			7,073				
Total assets	$ 68,475	30,206	25,584	574	104,880	38,829	34,151
Liabilities, Deferred Inflows of Resources, and Fund Balances							
Liabilities:							
Accounts payable and accrued liabilities	$ 5,032	2,169	10	140	304	1,645	8,583
Due to other funds	3,306	421	6	2	40,604	468	485
Unearned revenue	3,606						
Total liabilities	11,944	2,590	16	142	40,908	2,113	9,068
Deferred Inflows of Resources							
Unavailable revenue			7,591			3,224	
Total deferred inflows of resources			7,591			3,224	
Fund Balances:							
Nonspendable	12	368	85			475	
Restricted	42,398	5,892	16,128	427	62,787	30,040	9,090
Committed							18
Assigned	14,121	21,356	1,764	5	1,185	2,477	15,975
Total fund balances	56,531	27,616	17,977	432	63,972	32,992	25,083
Total liabilities, deferred inflows of resources, and fund balances	$ 68,475	30,206	25,584	574	104,880	38,329	34,151

Flood Control	Law Enforcement	Courts & Criminal Justice	Recorder/ Clerk Modernization	Child Development	In-Home Supportive Services Public Authority	County Local Revenue Fund 2011	Other Special Revenue	Total
87,690	44,951	1,921	9,478			84,354	52,545	542,753
791	150	305		3,721	368	15,551	4,140	38,046
303	32		11	295	840	944	92	4,581
							6,904	17,519
750			38	379			732	2,839
								6,673
								7,073
89,534	45,133	2,226	9,527	4,395	1,208	100,849	64,413	619,484
4,890	201		38	1,800	120		1,240	26,172
1,235	16,740	72	22	1,266	988	39,327	3,291	108,233
				651				4,257
6,125	16,941	72	60	3,717	1,108	39,327	4,531	138,662
							6,904	17,719
							6,904	17,719
750			38	379			732	2,839
79,249	1,776	2,154	9,429		100	61,522	48,339	369,331
	324							342
3,410	26,092			299			3,907	90,591
83,409	28,192	2,154	9,467	678	100	61,522	52,978	463,103
89,534	45,133	2,226	9,527	4,395	1,208	100,849	64,413	619,484

COUNTY OF CONTRA COSTA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR SPECIAL REVENUE FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2018

(In Thousands)

	Road	Library	Low & Moderate Income Housing Assets	Other Fire Protection	Health & Sanitation	Land Development	Service Areas
Revenues:							
Taxes	$ 19,468	27,819		532	4,862		8,219
Licenses, permits and franchise fees	352					20,217	15
Fines, forfeitures and penalties					1,634	5	
Use of money and property	1,114	104	58		1,138	380	269
Intergovernmental	14,434	3,040		77	46,083	485	637
Charges for services	5,652	551		15		8,774	16,371
Other revenue	12,396	1,224	165	101		6,384	346
Total revenues	53,416	32,738	223	725	53,717	36,245	25,857
Expenditures:							
Current:							
General government		168					
Public protection				956		24,028	23,008
Health and sanitation					46,965		
Public assistance			809				
Education		28,520					2
Public ways and facilities	61,175					4,329	830
Recreation and culture							2,038
Debt service:							
Interest	31				2	4	2
Total expenditures	61,206	28,688	809	956	46,967	28,361	25,880
Excess (deficiency) of revenues over (under) expenditures	(7,790)	4,050	(586)	(231)	6,750	7,884	(23)
Other Financing Sources (Uses):							
Transfers in	475	60				1,524	382
Transfers out	(1,125)	(519)			(43)	(597)	(69)
Total other financing sources (uses)	(650)	(459)			(43)	927	313
Net change in fund balances	(8,440)	3,591	(586)	(231)	6,707	8,811	290
Fund Balances at Beginning of Year	64,971	24,025	18,563	663	57,265	24,181	24,793
Fund Balances at End of Year	$ 56,531	27,616	17,977	432	63,972	32,992	25,083

Flood Control	Law Enforcement	Courts & Criminal Justice	Recorder/ Clerk Modernization	Child Development	In-Home Supportive Services Public Authority	County Local Revenue Fund 2011	Other Special Revenue	Total
12,276	9,267						671	83,114
2,478							117	23,179
	2,222	1,861					46	5,768
653	213	22		26			446	4,423
1,941	2,213			21,557	1,640	164,615	23,825	280,547
17,961	1,327		1,764				3,176	55,591
1,493	668			6,975	416		2,395	32,563
36,802	15,910	1,883	1,764	28,558	2,056	164,615	30,676	485,185
		908					624	1,700
30,936	24,457		1,459			43,983	23,318	172,145
								46,965
				28,343	2,056	108,645	2,204	142,057
								28,522
							48	66,382
								2,038
	1						21	61
30,936	24,458	908	1,459	28,343	2,056	152,628	26,215	459,870
5,866	(8,548)	975	305	215		11,987	4,461	25,315
637	8,848		8			385	46	12,365
(607)	(114)		(22)	(195)		(11,228)	(862)	(15,381)
30	8,734		(14)	(195)		(10,843)	(816)	(3,016)
5,896	186	975	291	20		1,144	3,645	22,299
77,513	28,006	1,179	9,176	658	100	60,378	49,333	440,804
83,409	28,192	2,154	9,467	678	100	61,522	52,978	463,103

COUNTY OF CONTRA COSTA
BUDGETARY COMPARISON SCHEDULE
ROAD SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(In Thousands)

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Taxes	$ 19,468	19,468	19,468	
Licenses, permits, and franchise fees	372	377	352	(25)
Use of money and property	426	888	1,114	226
Intergovernmental	13,347	21,496	14,434	(7,062)
Charges for services	4,703	6,019	5,652	(367)
Other revenue	15,279	15,962	12,396	(3,566)
Total revenues	53,595	64,210	53,416	(10,794)
Expenditures:				
Public ways and facilities				
Services and supplies	30,383	39,429	26,654	12,774
Other charges	4,845	4,191	2,618	1,573
Capital assets	800	311	311	
Expenditure transfers	25,811	34,807	31,592	3,215
Total public ways and facilities	61,839	78,737	61,175	17,562
Debt service				
Interest	31	31	31	
Total expenditures	61,870	78,768	61,206	17,562
Deficiency of revenues under expenditures	$ (8,275)	(14,558)	(7,790)	6,768
Other Financing Sources (Uses):				
Transfers in	2,001	19	475	494
Transfers out	(1,125)	(1,125)	(1,125)	
Total other financing sources (uses)	876	(1,144)	(650)	494
Net change in fund balance	(7,399)	(15,699)	(8,440)	7,259
Fund Balance at Beginning of Year	64,971	64,971	64,971	
Fund Balance at End of Year	$ 57,572	49,272	56,531	7,259

COUNTY OF CONTRA COSTA
BUDGETARY COMPARISON SCHEDULE
LIBRARY SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(In Thousands)

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Taxes	$ 26,960	27,128	27,819	691
Use of money and property	104	104	104	
Intergovernmental	3,193	3,193	3,040	(153)
Charges for services	644	644	551	(93)
Other revenue	281	281	1,224	943
Total revenues	31,182	31,350	32,738	1,388
Expenditures:				
General government				
Capital assets	676	844	168	676
Total general government	676	844	168	676
Education				
Salaries and benefits	23,362	23,362	19,543	3,819
Services and supplies	10,579	10,579	5,905	4,674
Other charges	3,760	3,760	2,878	882
Capital assets	484	484	149	335
Expenditure transfers	59	59	45	14
Total education	38,244	38,244	28,520	9,724
Debt Service:				
Interest	2	2		2
Total expenditures	38,922	39,090	28,688	10,402
Excess (deficiency) of revenues over (under) expenditures	(7,740)	(7,740)	4,050	11,790
Other Financing Sources (Uses):				
Transfers in	32	32	60	28
Transfers out	(519)	(519)	(519)	
Total other financing sources (uses)	(487)	(487)	(459)	28
Net change in fund balance	(8,227)	(8,227)	3,591	11,818
Fund Balance at Beginning of Year	24,025	24,025	24,025	
Fund Balance at End of Year	$ 15,798	15,798	27,616	11,818

COUNTY OF CONTRA COSTA

BUDGETARY COMPARISON SCHEDULE

LOW & MODERATE INCOME HOUSING ASSETS SPECIAL REVENUE FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2016

(In Thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Use of money and property	$ 682	682	50	(632)
Other revenue	10,052	10,052	265	(9,787)
Total revenues	10,734	10,734	315	(10,419)
Expenditures				
Public assistance				
Services and supplies	4,602	4,602	685	3,917
Other charges	3,100	3,100	72	3,028
Expenditure transfers	3,000	3,001	52	2,949
Total public assistance	10,702	10,703	809	9,894
Total expenditures	10,702	10,703	809	9,894
Excess (deficiency) of revenues over (under) expenditures		31	586	(585)
Other Financing Sources:				
Transfers in	3,000	3,000		(3,000)
Total other financing sources	3,000	3,000		(3,000)
Net change in fund balance	3,000	2,995	586	(3,585)
Fund Balance at Beginning of Year	18,563	18,563	18,563	
Fund Balance at End of Year	$ 21,563	21,562	17,977	(3,585)

COUNTY OF CONTRA COSTA
BUDGETARY COMPARISON SCHEDULE
OTHER FIRE PROTECTION SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(In Thousands)

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Taxes	$ 516	516	532	16
Intergovernmental	4	4	77	73
Charges for services	14	14	15	1
Other revenue	50	50	101	51
Total revenues	584	584	725	141
Expenditures:				
Public protection				
Salaries and benefits	253	253	217	36
Services and supplies	875	529	271	258
Other charges	131	137	134	3
Capital assets		340	334	6
Expenditure transfers				
Total public protection	1,259	1,259	956	303
Total expenditures	1,259	1,259	956	303
Excess (deficiency) of revenues over Deficiency of revenues under expenditures	(675)	(675)	(231)	444
Other Financing Sources:				
Transfers in	13	13		(13)
Total other financing sources	13	13		(13)
Net change in fund balance	(662)	(662)	(231)	431
Fund Balance at Beginning of the Year	663	663	663	
Fund Balance at End of Year	$ 1	1	432	431

COUNTY OF CONTRA COSTA

BUDGETARY COMPARISON SCHEULE

HEALTH AND SANITATION SPECIAL REVENUE FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2018

(In Thousands)

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Taxes	$ 4,714	4,714	4,862	148
Fines, forfeitures and penalties	1,692	1,692	1,634	(58)
Use of money and property	420	420	1,138	718
Intergovernmental	51,157	40,056	46,083	6,027
Charges for services	100	100		(100)
Total revenues	58,083	46,982	53,717	6,735
Expenditures:				
Current:				
Health and sanitation				
Salaries and benefits	969	1,409	1,348	61
Services and supplies	8,612	8,172	3,071	5,101
Other charges	2,205	2,205	2,073	132
Expenditure transfers	51,575	40,473	40,473	
Total health and sanitation	63,361	52,259	46,965	5,294
Debt service:				
Interest	2	2	2	
Total expenditures	63,363	52,261	46,967	5,294
Excess (deficiency) of revenues over (under) expenditures	(5,280)	(5,279)	6,750	12,029
Other Financing Uses:				
Transfers out	(43)	(43)	(43)	
Total other financing uses	(43)	(43)	(43)	
Net change in fund balance	(5,323)	(5,322)	6,707	12,029
Fund Balance at Beginning of Year	57,265	57,265	57,265	
Fund Balance at End of Year	$ 51,942	51,943	63,972	12,029

COUNTY OF CONTRA COSTA

BUDGETARY COMPARISON SCHEDULE

LAND DEVELOPMENT SPECIAL REVENUE FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2018

(In Thousands)

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Licenses, permits and franchise fees	$ 16,599	16,987	20,217	3,230
Fines, forfeitures and penalties	65	65	5	(60)
Use of money and property	299	299	380	81
Intergovernmental	4,357	4,357	485	(3,872)
Charges for services	13,669	13,669	8,774	(4,895)
Other revenue	7,339	7,339	6,384	(955)
Total revenues	42,328	42,716	36,245	(6,471)
Expenditures:				
Current:				
Public protection				
Salaries and benefits	22,329	22,329	19,070	3,259
Services and supplies	7,570	6,154	1,727	4,427
Other charges	3,177	3,795	2,345	1,450
Capital assets	684	745	192	553
Expenditure transfers		1,768	694	1,074
Total public protection	33,760	34,791	24,028	10,763
Public assistance				
Services and supplies	1,411	1,411		1,411
Other charges	10	10		10
Total public assistance	1,421	1,421		1,421
Public ways and facilities				
Services and supplies	222	186	186	
Other charges	488	531	79	452
Expenditure transfers	8,401	8,777	4,064	4,713
Total public ways and facilities	9,111	9,494	4,329	5,165
Debt service:				
Interest	4	4	4	
Total expenditures	44,296	45,710	28,361	17,349
Excess (deficiency) of revenues over (under) expenditures	(1,968)	(2,994)	7,884	10,878
Other Financing Sources (Uses):				
Transfers in	243	1,269	1,524	255
Transfers out	(597)	(597)	(597)	
Total other financing sources (uses)	(354)	672	927	255
Net change in fund balance	(2,322)	(2,322)	8,811	11,133
Fund Balance at Beginning of Year	24,181	24,181	24,181	
Fund Balance at End of Year	$ 21,859	21,859	32,992	11,133

COUNTY OF CONTRA COSTA

BUDGETARY COMPARISON SCHEDULE

SERVICE AREAS SPECIAL REVENUE FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2018

(In Thousands)

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Taxes	$ 7,046	7,072	8,219	1,147
Licenses, permits and franchise fees	10	10	15	5
Use of money and property	551	551	269	(282)
Intergovernmental	407	407	637	230
Charges for services	13,535	13,627	16,371	2,744
Other revenue	189	189	346	157
Total revenues	21,738	21,856	25,857	4,001
Expenditures:				
Public protection				
Services and supplies	28,602	28,376	18,970	9,406
Other charges	3,087	3,353	3,353	
Capital assets	189	189	189	
Expenditure transfers	536	496	496	
Reserves				
Total public protection	32,414	32,414	23,008	9,406
Education				
Other charges		2	2	
Expenditure transfers	418	416		416
Total education	418	418	2	416
Public ways and facilities				
Services and supplies	7,042	7,037	521	6,516
Other charges	145	175	132	43
Capital assets	25	25	22	3
Expenditure transfers	367	367	155	212
Total public ways and facilities	7,579	7,604	830	6,774
Recreation and culture				
Services and supplies	1,043	561	370	191
Other charges	395	411	367	44
Capital assets	3,303	3,812	1,105	2,707
Expenditure transfers	202	253	196	57
Total recreation and culture	4,943	5,037	2,038	2,999
Debt Service:				
Interest	2	2	2	
Total expenditures	45,356	45,475	25,880	19,595
Deficiency of revenues under expenditures	(23,618)	(23,619)	(23)	23,596
Other Financing Sources (Uses):				
Transfers in	30	30	382	352
Transfers out			(69)	(69)
Total other financing sources (uses)	30	30	313	283
Net change in fund balance	(23,588)	(23,589)	290	23,879
Fund Balance at Beginning of Year	24,793	24,793	24,793	
Fund Balance at End of Year	$ 1,205	1,204	25,083	23,879

COUNTY OF CONTRA COSTA
BUDGETARY COMPARISON SCHEDULE
FLOOD CONTROL SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(In Thousands)

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Taxes	$ 11,632	11,632	12,276	644
Licenses, permits and franchise fees	1,939	1,939	2,478	539
Use of money and property	169	169	653	484
Intergovernmental	1,137	1,137	1,941	804
Charges for services	18,318	18,318	17,961	(357)
Other revenue	1,530	1,530	1,493	(37)
Total revenues	34,725	34,725	36,802	2,077
Expenditures:				
Current:				
Public protection				
Services and supplies	89,994	91,159	18,882	72,277
Other charges	5,037	5,379	3,252	2,127
Capital assets	400	400		400
Expenditure transfers	15,255	13,243	8,802	4,441
Total public protection	110,686	110,181	30,936	79,245
Total expenditures	110,686	110,181	30,936	79,245
Excess (deficiency) of revenues over (under) expenditures	(75,961)	(75,456)	5,866	81,322
Other Financing Sources (Uses):				
Transfers in	(121)	(25)	637	662
Transfers out	96	(504)	(607)	(103)
Total other financing sources (uses)	(25)	(529)	30	559
Net change in fund balance	(75,986)	(75,985)	5,896	81,881
Fund Balance at Beginning of Year	77,513	77,513	77,513	
Fund Balance at End of Year	$ 1,527	1,528	83,409	81,881

COUNTY OF CONTRA COSTA
BUDGETARY COMPARISON SCHEDULE
LAW ENFORCEMENT SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(In Thousands)

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Taxes	$ 8,883	9,011	9,267	256
Fines, forfeitures and penalties	1,192	1,192	2,222	1,030
Use of money and property	61	61	213	152
Intergovernmental	2,344	2,409	2,213	(196)
Charges for services	1,722	1,722	1,327	(395)
Other revenue	1,081	1,224	668	(556)
Total revenues	15,283	15,619	15,910	291
Expenditures:				
General government				
Services and supplies	247	247		247
Other charges	11	11		11
Expenditure transfers	3,750	3,750		3,750
Total general government	4,008	4,008		4,008
Public protection				
Salaries and benefits	1,553	1,952	1,948	4
Services and supplies	18,805	17,411	202	17,209
Other charges	4,168	3,988	3,686	302
Capital assets	282	670	370	300
Expenditure transfers	22,636	24,006	18,251	5,755
Total public protection	47,444	48,027	24,457	23,570
Debt service:				
Interest	1	1	1	
Total expenditures	51,453	52,036	24,458	27,578
Deficiency of revenues under expenditures	(36,170)	(36,417)	(8,548)	27,869
Other Financing Sources (Uses):				
Transfers in	10,847	10,867	8,848	(2,019)
Transfers out	(2,175)	(2,195)	(114)	2,081
Total other financing sources (uses)	8,672	8,672	8,734	62
Net change in fund balance	(27,498)	(27,745)	186	27,931
Fund Balance at Beginning of Year	28,006	28,006	28,006	
Fund Balance at End of Year	$ 508	261	28,192	27,931

COUNTY OF CONTRA COSTA

BUDGETARY COMPARISON SCHEDULE

COURTS AND CRIMINAL JUSTICE SPECIAL REVENUE FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2018

(In Thousands)

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Fines, forfeitures and penalties	$ 2,230	2,230	1,861	(369)
Use of money and property			22	22
Total revenues	2,230	2,230	1,883	(347)
Expenditures:				
Current:				
Other charges	2,839	2,839	908	1,931
Total general government	2,839	2,839	908	1,931
Total expenditures	2,839	2,839	908	1,931
Net change in fund balance	(1,179)	(1,179)	975	2,154
Fund Balance at Beginning of Year	1,179	1,179	1,179	
Fund Balance at End of Year	$		2,154	2,154

COUNTY OF CONTRA COSTA

BUDGETARY COMPARISON SCHEDULE

RECORDER/CLERK MODERNIZATION SPECIAL REVENUE FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2018

(In Thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	$ 1,755	1,755	1,764	9
Total revenues	1,755	1,755	1,764	9
Expenditures:				
Public protection				
Salaries and benefits	1,187	1,187	732	455
Services and supplies	9,000	9,000	442	8,558
Other charges	470	470	285	185
Capital assets	250	250		250
Total public protection	10,907	10,907	1,459	9,448
Total expenditures	10,907	10,907	1,459	9,448
Excess (deficiency) of revenues over (under) expenditures	(9,152)	(9,152)	305	9,457
Other Financing Sources (Uses):				
Transfers in			8	8
Transfers out	(22)	(22)	(22)	
Total other financing sources (uses)	(22)	(22)	(14)	8
Net change in fund balance	(9,174)	(9,174)	291	9,465
Fund Balance at Beginning of Year	9,176	9,176	9,176	
Fund Balance at End of Year	$ 2	2	9,467	9,465

COUNTY OF CONTRA COSTA

BUDGETARY COMPARISON SCHEDULE

CHILD DEVELOPMENT SPECIAL REVENUE FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2018

(In Thousands)

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Use of money and property	$ 2	2	26	24
Intergovernmental	19,809	20,170	21,557	1,387
Other revenue	8,015	8,015	6,975	(1,040)
Total revenues	27,826	28,187	28,558	371
Expenditures:				
Public assistance				
Salaries and benefits	8,369	8,381	8,381	
Services and supplies	4,465	3,775	3,761	14
Other charges	5,719	6,917	6,917	
Capital assets	200			
Expenditure transfers	9,243	9,284	9,284	
Total public assistance	27,996	28,357	28,343	14
Total expenditures	27,996	28,357	28,343	14
Excess (deficiency) of revenues over (under) expenditures	(170)	(170)	215	385
Other Financing Uses:				
Transfers out	(195)	(195)	(195)	
Total other financing uses	(195)	(195)	(195)	
Net change in fund balance	(365)	(365)	20	385
Fund Balance at Beginning of Year	658	658	658	
Fund Balance at End of Year	$ 293	293	678	385

COUNTY OF CONTRA COSTA

BUDGETARY COMPARISON SCHEDULE

IN-HOME SUPPORTIVE SERVICES PUBLIC AUTHORITY SPECIAL REVENUE FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2018

(In Thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	$ 1,859	1,859	1,640	219
Other revenue	356	356	416	60
Total revenues	2,215	2,215	2,056	159
Expenditures:				
Public assistance				
Salaries and benefits	1,358	1,404	1,404	
Services and supplies	201	201	172	29
Other charges	467	481	480	1
Expenditure transfers	290	230		230
Total public assistance	2,316	2,316	2,056	260
Total expenditures	2,316	2,316	2,056	260
Net change in fund balance	(101)	(101)		101
Fund Balance at Beginning of Year	100	100	100	
Fund Balance at End of Year	$ (1)	(1)	100	101

COUNTY OF CONTRA COSTA

BUDGETARY COMPARISON SCHEDULE

COUNTY LOCAL REVENUE FUND 2011 SPECIAL REVENUE FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2018

(In Thousands)

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Use of money and property	$ 2	2		(2)
Intergovernmental	173,933	173,933	164,615	(9,318)
Total revenues	173,935	173,935	164,615	(9,320)
Expenditures:				
Current:				
Public protection				
Expenditure transfers	54,785	55,446	43,983	11,463
Total public protection	54,785	55,446	43,983	11,463
Public assistance				
Expenditure transfers	110,420	110,420	108,645	1,775
Total public assistance	110,420	110,420	108,645	1,775
Total expenditures	165,205	165,866	152,628	13,238
Excess of revenues over expenditures	8,730	8,069	11,987	3,918
Other Financing Sources (Uses):				
Transfers in			385	385
Transfers out	(8,728)	(11,228)	(11,228)	
Total other financing sources (uses)	(8,728)	(11,228)	(10,843)	385
Net change in fund balance	2	(3,159)	1,144	4,303
Fund Balance at Beginning of Year	60,378	60,378	60,378	
Fund Balance at End of Year	$ 60,380	57,219	61,522	4,303

COUNTY OF CONTRA COSTA

BUDGETARY COMPARISON SCHEDULE

OTHER SPECIAL REVENUE FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2018

(In Thousands)

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Taxes	$ 781	781	671	(110)
Licenses, permits and franchise fees	114	114	117	3
Fines, forfeitures and penalties	185	185	46	(139)
Use of money and property	188	188	446	258
Intergovernmental	24,259	24,259	23,825	(434)
Charges for services	3,401	3,407	3,176	(231)
Other revenue	2,712	2,962	2,395	(567)
Total revenues	31,640	31,896	30,676	(1,220)
Expenditures:				
Current:				
General government				
Services and supplies	1,036	1,036	112	924
Other charges	305	305	43	262
Expenditure transfers	752	752	469	283
Total general government	2,093	2,093	624	1,469
Public protection				
Salaries and benefits	16,893	16,629	16,374	255
Services and supplies	6,367	7,307	2,444	4,863
Other charges	2,069	1,572	884	688
Capital assets	55	84	42	42
Expenditure transfers	6,227	6,511	3,574	2,937
Total public protection	31,611	32,103	23,318	8,785
Public assistance				
Salaries and benefits	459	482	481	1
Services and supplies	1,655	1,423	860	563
Other charges	639	600	65	535
Expenditure transfers	1,125	1,373	798	575
Total public assistance	3,878	3,878	2,204	1,674
Public ways and facilities				
Expenditure transfers	632	632	48	584
Total public ways and facilities	632	632	48	584
Debt service:				
Interest	21	21	21	
Total expenditures	38,235	38,727	26,215	12,512
Excess (deficiency) of revenues over (under) expenditures	(6,595)	(6,831)	4,461	11,292
Other Financing Sources (Uses):				
Transfers in		46	46	
Transfers out	(4,142)	(4,142)	(862)	3,280
Total other financing sources (uses)	(4,142)	(4,096)	(816)	3,280
Net change in fund balance	(10,737)	(10,927)	3,645	14,572
Fund Balance at Beginning of Year	49,333	49,333	49,333	
Fund Balance at End of Year	$ 38,596	38,406	52,978	14,572

Nonmajor Debt Service Funds

DEBT SERVICE FUNDS

Debt service funds are used to account for accumulation of resources for, and payment of, principal and interest on the county's general long-term debt.

PUBLIC FINANCING AUTHORITY (PFA) FUND

This fund is used to account for accumulated monies for payment of general long-term debt incurred for the various financing activities of the County of Contra Costa Public Financing Authority.

FAMILY LAW CENTER FUND

This fund is used to make annual debt service payments on the Family Law Center from money received from the settlement agreement between the county and Contra Costa County Superior Court.

RETIREMENT LITIGATION SETTLEMENT FUND

This fund is used to account for accumulated monies for payment of the additional retirement benefits for retirees from the settlement of Vernon D. Paulson, et. al. vs. Board of Retirement of the Contra Costa County Employees' Retirement Association, et al. The county has entered into an agreement with CCCERA to pay the liability for its share of the additional costs over a twenty year period.

CCC FIRE PROTECTION DISTRICT PENSION BOND FUND

This fund is used to account for accumulated monies for payment of taxable pension obligation bonds for the Contra Costa County Fire Protection District. These bonds were issued to reduce or extinguish the fire district's unfunded actuarial accrued liability (UAAL).

COUNTY PENSION BOND FUND

This fund is used to account for accumulated monies for payment of taxable pension obligation bonds. These bonds were issued to reduce or extinguish the county's unfunded actuarial accrued liability (UAAL).

ASSESSMENT DISTRICTS FUND

This fund is used to account for accumulated monies for payment of assessment district debt issued to fund assessment district capital improvement projects.

COUNTY OF CONTRA COSTA
COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS
JUNE 30, 2018
(In Thousands)

	Public Financing Authority	Family Law Center	Retirement Litigation Settlement
Assets:			
Cash and investments	$ 1,450	2,129	2,530
Accounts receivable and accrued revenue			
Due from other funds			230
Restricted cash and investments	91,981		
Total assets	$ 93,431	2,129	2,760
Liabilities and Fund Balances			
Liabilities:			
Accounts payable and accrued liabilities	$		2,760
Due to other funds			
Total liabilities			2,760
Fund Balances:			
Restricted	93,431	2,129	
Unassigned			
Total fund balances	93,431	2,129	
Total liabilities and fund balances	$ 93,431	2,129	2,760

CCC Fire Protection District Pension Bond	County Pension Bond	Assessment Districts	Total
13,149		990	20,248
	3,311		3,311
			230
	281	1,098	93,360
13,149	3,592	2,088	117,149
2		358	3,120
	8,110		8,110
2	8,110	358	11,230
13,147		1,730	110,437
	(4,518)		(4,518)
13,147	(4,518)	1,730	105,919
13,149	3,592	2,088	117,149

COUNTY OF CONTRA COSTA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR DEBT SERVICE FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2018

(In Thousands)

	Public Financing Authority	Family Law Center	Retirement Litigation Settlement
Revenues:			
Taxes	$		
Use of money and property	30,496		
Other revenue			
Total revenues	30,496		
Expenditures:			
Current:			
General government	11,425		
Public assistance			
Debt service:			
Principal	104,458		1,674
Interest	8,670		1,086
Total expenditures	124,553		2,760
Excess (deficiency) of revenues over (under) expenditures	(94,057)		(2,760)
Other Financing Sources (Uses):			
Transfers in			2,760
Transfers out	(9)		
Proceeds on issuance of debt transferred from the RDA Successor Agency	83,805		
Total other financing sources (uses)	83,796		2,760
Net change in fund balances	(10,261)		
Fund Balances at Beginning of Year	103,692	2,129	
Fund Balances at End of Year	$ 93,431	2,129	

CCC Fire Protection District Pension Bond	County Pension Bond	Assessment Districts	Total
		11,274	11,274
	271	18	30,785
14,782	1,284		16,066
14,782	1,555	11,292	58,125
			11,425
		10,866	10,866
10,290	29,950	255	146,627
3,526	10,165	147	23,594
13,816	40,115	11,268	192,512
966	(38,560)	24	(134,387)
	39,830		42,590
			(9)
			83,805
	39,830		126,386
966	1,270	24	(8,001)
12,181	(5,788)	1,706	113,920
13,147	(4,518)	1,730	105,919

COUNTY OF CONTRA COSTA
BUDGETARY COMPARISON SCHEDULE
FAMILY LAW CENTER DEBT SERVICE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(In Thousands)

		Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
		Original	Final		
Revenues:	1				
Total revenues					
Expenditures:					
Public assistance:					
Services and supplies		2,129	2,129		2,129
Total public assistance		2,129	2,129		2,129
Total expenditures		2,129	2,129		2,129
Net change in fund balance		(2,129)	(2,129)		2,129
Fund Balance at Beginning of Year		2,129	2,129	2,129	
Fund Balance at End of Year	3			2,129	2,129

COUNTY OF CONTRA COSTA

BUDGETARY COMPARISON SCHEDULE

RETIREMENT LITIGATION SETTLEMENT DEBT SERVICE FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2018

(In Thousands)

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:	$			
Total revenues				
Expenditures:				
Debt service:				
Principal	1,674	1,674	1,674	
Interest	1,086	1,086	1,086	
Total expenditures	2,760	2,760	2,760	
Deficiency of revenues under expenditures	(2,760)	(2,760)	(2,760)	
Other Financing Sources:				
Transfers in	2,760	2,760	2,760	
Total other financing sources	2,760	2,760	2,760	
Net change in fund balance				
Fund Balance at Beginning of Year	2,760	2,760		
Fund Balance at End of Year	$ 2,760	2,760		(2,760)

COUNTY OF CONTRA COSTA

BUDGETARY COMPARISON SCHEDULE

CCC FIRE PROTECTION DISTRICT PENSION BOND DEBT SERVICE FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2018

(In Thousands)

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Other revenue	$ 13,816	13,816	14,782	966
Total revenues	13,816	13,816	14,782	966
Expenditures:				
Debt service:				
Principal	22,471	22,471	10,290	12,181
Interest	3,526	3,526	3,526	
Total expenditures	25,997	25,997	13,816	12,181
Net change in fund balance	(12,181)	(12,181)	966	13,147
Fund Balance at Beginning of Year	12,181	12,181	12,181	
Fund Balance at End of Year	$		13,147	13,147

COUNTY OF CONTRA COSTA
BUDGETARY COMPARISON SCHEDULE
COUNTY PENSION BOND DEBT SERVICE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(In Thousands)

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Use of money and property	$ 2	2	271	269
Other revenue	1,284	1,284	1,284	
Total revenues	1,286	1,286	1,555	269
Expenditures:				
Current:				
General government				
Other charges	2			
Total general government	2			
Debt service:				
Principal	29,950	29,950	29,950	
Interest	10,165	10,165	10,165	
Total expenditures	40,117	40,115	40,115	
Deficiency of revenues under expenditures	(38,831)	(38,829)	(38,560)	269
Other Financing Sources:				
Transfers in	38,831	40,099	39,830	(269)
Total other financing sources	38,831	40,099	39,830	(269)
Net change in fund balance		1,270	1,270	
Fund Balance at Beginning of Year	(5,788)	(5,788)	(5,788)	
Fund Balance at End of Year	$ (5,788)	(4,518)	(4,518)	

THE SEAL OF
CONTRA COSTA COUNTY CALIFORNIA

Nonmajor Capital Projects Fund

CAPITAL PROJECTS FUND

Capital projects funds are used to account for financial resources to be used for the acquisition of land or acquisition and construction of major facilities other than those financed in the proprietary funds. The county's Capital Projects Fund is included in the combining financial statements of the nonmajor governmental funds (starting on page 114).

ASSESSMENT DISTRICTS FUND

This fund is used to account for all the capital improvement projects constructed using assessment district funds.

THE SEAL OF
CONTRA COSTA COUNTY CALIFORNIA

Nonmajor Governmental Fund

PERMANENT FUND

Permanent funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the reporting government's programs. The county's Permanent Fund is included in the combining financial statements of the nonmajor governmental funds (starting on page 114).

LIBRARY GIFT PERMANENT FUND

This fund is used to account for principal trust amounts received and related interest income. The interest portion of the fund is used to support the county libraries.

THE SEAL OF
CONTRA COSTA COUNTY CALIFORNIA

Nonmajor Enterprise Funds

ENTERPRISE FUNDS

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is to have the costs (expenses, including depreciation and amortization) of providing goods or services to the general public on a continuing basis be financed primarily through user charges; or where the county has decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

AIRPORT FUND

This fund was established to account for the financial activities of the Buchanan Field and Byron Airport aviation facilities. Revenues include receipts under rental and lease arrangements involving county airport facilities, and state and federal aid.

SHERIFF LAW ENFORCEMENT TRAINING CENTER FUND

This fund was established to account for the financial activities of the Sheriff Law Enforcement Training Center. The center provides training to law enforcement personnel from the County Sheriff's Office and other agencies. Revenues include tuition fees paid by the student or law enforcement agency and state aid.

CHILDCARE ENTERPRISE FUND

This fund was established to account for the fee-for-service childcare program through the Community Services Bureau. This program was established to meet the needs of families who do not qualify for Child Development programs due to a higher family income yet cannot afford to pay the cost of the market rate for childcare. Revenues will be generated by the program fees for childcare. The revenues are expected to cover the cost of the program operation.

HMO COMMERCIAL PLAN

Revenues and expenditures are related to Medicare, county employees, and private citizens enrolled in the Commercial Plan. In addition to monthly insurance capitation payments, revenues include realignment funds, National Master Tobacco Settlement funds, and subsidies from the General Fund.

MAJOR RISK MEDICAL INSURANCE FUND

Revenues and expenditures related to residents who qualify for the state sponsored Aid to Infants and Mothers (AIM) Program and the Major Risk Medical Insurance Program (MRMIP).

COUNTY OF CONTRA COSTA

COMBINING STATEMENT OF NET POSITION

NONMAJOR ENTERPRISE FUNDS

JUNE 30, 2018

(In Thousands)

	Airport	Sheriff Law Enforcement Training Center	Child Care Enterprise	HMO Commercial Plan	Major Risk Medical Insurance	Total
Assets and Deferred Outflows of Resources:						
Assets:						
Current assets:						
Cash and investments	$ 6,371		16	18,845	47	25,279
Accounts receivable and accrued revenue (net)	79	166		1,640		1,885
Inventories	31					31
Due from other funds		947		2,916		3,863
Prepaid items and deposits		410				410
Total current assets	6,481	1,523	16	23,401	47	31,468
Noncurrent assets:						
Capital assets:						
Nondepreciable	11,690					11,690
Depreciable, net	6,723	100				6,823
Total noncurrent assets	18,413	100				18,513
Total assets	24,894	1,623	16	23,401	47	49,981
Deferred Outflows of Resources:						
Deferred pension outflows	399	251				650
Deferred OPEB outflows	11					11
Total deferred outflows of resources	410	251				661
Total Assets and Deferred Outflows of Resources	$ 25,304	1,874	16	23,401	47	50,642
Liabilities, Deferred Inflows of Resources, and Net Position:						
Liabilities:						
Current liabilities:						
Accounts payable and accrued liabilities	$ 754	139		13,527		14,420
Due to other funds	62	698		1,547	47	2,354
Unearned revenue	154			1,066		1,220
Current portion of long-term liabilities	15	1				16
Total current liabilities	985	838		16,140	47	18,010
Noncurrent portion of long-term liabilities:						
Compensated absences	135	12				147
Net pension liability	779	490				1,269
Net OPEB liability	110					110
Total noncurrent portion of long-term liabilities	1,024	502				1,526
Total liabilities	2,009	1,340		16,140	47	19,536
Deferred Inflows of Resources:						
Deferred pension inflows	311	197				508
Deferred OPEB inflows	27					27
Total deferred inflows of resources	338	197				535
Net Position:						
Net investments in capital assets	18,413	100				18,513
Unrestricted	4,544	237	16	7,261		12,058
Total net position	22,957	337	16	7,261		30,571
Total liabilities, Deferred Inflows of Resources, and Net Position	$ 25,304	1,874	16	23,401	47	50,642

COUNTY OF CONTRA COSTA

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION

NONMAJOR ENTERPRISE FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2018

(In Thousands)

	Airport	Sheriff Law Enforcement Training Center	Child Care Enterprise	HMO Commercial Plan	Major Risk Medical Insurance	Total
Operating Revenues:						
Use of money and property	$ 4,452			2,069		6,521
Charges for services	15	1,050		70,174		71,239
Other revenue	563	17				580
Total operating revenues	5,030	1,067		72,243		78,340
Operating Expenses:						
Salaries and employee benefits	1,821	1,919				3,740
Services and supplies	1,479	175		72,146	46	73,846
Other charges	313	132		1,707		2,152
Expense transfers	195	57				252
Depreciation	1,089	96				1,185
Total operating expenses	4,897	2,379		73,853	46	81,175
Operating income (loss)	133	(1,312)		(1,610)	(46)	(2,835)
Nonoperating Revenues (Expenses):						
State and federal grants	429	277				706
Investment income	61					61
Interest expense				(78)		(78)
Total nonoperating revenues (expenses)	490	277		(78)		689
Income (Loss) Before capital contributions and transfers	623	(1,035)		(1,688)	(46)	(2,146)
Capital contributions	6					6
Transfers in		869		3,986		4,855
Transfers out	(98)	(151)				(249)
Change in net position	531	(317)		2,298	(46)	2,466
Total Net Position at Beginning of Year	22,426	654	16	4,963	46	28,105
Total Net Position at End of Year	$ 22,957	337	16	7,261		30,571

COUNTY OF CONTRA COSTA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(In Thousands)

	Airport	Sheriff Law Enforcement Training Center	Child Care Enterprise	HMO Commercial Plan	Major Risk Medical Insurance	Total
Cash Flows from Operating Activities:						
Cash received from customers	$ 5,074	958		71,487		77,519
Cash received from other funds	246	531			47	824
Cash payment to other funds	(59)	(844)				(903)
Cash payment to suppliers for goods and services	(2,105)	(295)		(71,870)	(46)	(74,316)
Cash payment to employees for services	(2,138)	(1,604)				(3,742)
Net Cash Provided by (used for) Operating Activities	1,018	(1,254)		(383)	1	(618)
Cash Flows from Noncapital Financing Activities:						
State and federal grants	429	277				706
Transfers received		869		3,986		4,855
Transfers paid	(98)	(151)				(249)
Net Cash Provided by Noncapital Financing Activities	331	995		3,986		5,312
Cash Flows from Capital and Related Financing Activities:						
Acquisition and construction of capital assets	(396)					(396)
Interest paid				(78)		(78)
Net Cash Used for Capital and Related Financing Activities	(396)			(78)		(474)
Cash Flows from Investing Activities:						
Change in fair value of investments	11					11
Interest received on investments	61					61
Net Cash Provided by Investing Activities	72					72
Net Increase (decrease) in Cash and Cash Equivalents	1,025	(259)		3,525	1	4,292
Cash and Cash Equivalents at Beginning of Year	5,346	259	16	15,320	46	20,987
Cash and Cash Equivalents at End of Year	$ 6,371		16	18,845	47	25,279
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:						
Operating income (loss)	$ 133	(1,312)		(1,610)	(46)	(2,835)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:						
Depreciation	1,089	96				1,185
Changes in operating assets and liabilities:						
Decrease (increase) in:						
Accounts receivable and accrued revenue	54	(109)		1,360		1,305
Inventories	(10)					(10)
Due from other funds	246	(844)		(2,116)		(2,714)
Prepaid items and deposits	22	14				36
Deferred OPEB outflows	(11)					(11)
Deferred pension ouflows	88	(192)				(104)
Increase (decrease) in:						
Accounts payable and accrued liabilities	(129)	55		1,868		1,794
Investments and cash equivalents	(11)					(11)
Due to other funds	(59)	531		(543)	47	(24)
Deferred inflows of resources	220	184				404
Net pension liability	(622)	321				(301)
Net OPEB liability	(21)					(21)
Unearned revenue				658		658
Compensated absences	29	2				31
Net Cash Provided (used for) by Operating Activities	$ 1,018	(1,254)		(383)	1	(618)

INTERNAL SERVICE FUNDS

FLEET SERVICES

This fund is used to account for the rental of motor vehicles to other departments and related costs.

SELF-INSURANCE FUNDS

These funds are used to account for administrative costs and payments of claims under the various insurance programs. Revenues are primarily premiums paid by other operating funds and interest on investments. The insurance programs are:

Employee Dental Insurance
Long-Term Disability Insurance (Management Employees)
Workers' Compensation Insurance
- County General
- Fire Protection

Automotive Liability Insurance
Public (General) Liability Insurance
State Unemployment Insurance
Medical Liability Insurance
Special District Property Insurance

COUNTY OF CONTRA COSTA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2018
(In Thousands)

	Fleet Services	Employee Dental Insurance	Long-Term Disability Insurance	Workers' Compensation Insurance County General
Assets and Deferred Outflows of Resources:				
Assets:				
Current assets:				
Cash and investments	$ 5,356	3,889	2,140	106,085
Accounts receivable and accrued revenue (net)			95	2,151
Inventories	371			
Due from other funds	1,818			39
Prepaid items and deposits				
Total current assets	7,545	3,889	2,235	108,275
Noncurrent assets:				
Capital assets:				
Nondepreciable	135			
Depreciable, net	7,679			
Total noncurrent assets	7,814			
Total assets	15,359	3,889	2,235	108,275
Deferred Outflows of Resources:				
Deferred pension outflows	433			
Deferred OPEB outflows	65			
Total deferred outflows of resources	498			
Total assets and deferred outflows of resources	$ 15,857	3,889	2,235	108,275
Liabilities, Deferred Inflows of Resources, and Net Position:				
Liabilities:				
Current liabilites:				
Accounts payable	$ 634			
Due to other funds	685	63		560
Claims payable		958	2,260	19,615
Compensated absences payable	8			
Total current liabilities	1,327	1,021	2,260	20,175
Noncurrent liabilities:				
Claims payable			452	104,032
Compensated absences payable	73			
Net pension liability	845			
Net OPEB liability	626			
Total noncurrent liabilities	1,544		452	104,032
Total liabilities	2,871	1,021	2,712	124,207
Deferred Inflows of Resources:				
Deferred pension inflows	322			
Deferred OPEB inflows	156			
Total deferred inflows of resources	478			
Net Position (Deficit):				
Net investment in capital assets	7,814			
Unrestricted net position (deficit)	4,694	2,868	(477)	(15,932)
Total net position (deficit)	12,508	2,868	(477)	(15,932)
Total Liabilities, Deferred Inflows of Resources, and Net Position (deficit)	$ 15,857	3,889	2,235	108,275

Workers' Compensation Insurance Fire Protection	Automotive Liability Insurance	Public Liability Insurance	State Unemployment Insurance	Medical Liability Insurance	Special District Property Insurance	Total
31,505	2,181	12,451	8,618	4,913	3,535	180,673
401		6	151			2,804
						371
4	57	16		11	38	1,983
		13				13
31,910	2,238	12,486	8,769	4,924	3,573	185,844
						135
						7,679
						7,814
31,910	2,238	12,486	8,769	4,924	3,573	193,658
						433
						65
						498
31,910	2,238	12,486	8,769	4,924	3,573	194,156
			1		16	651
81	14	538	13	46	6	2,006
2,339	587	2,682	1,823	1,978		32,242
						8
2,420	601	3,220	1,837	2,024	22	34,907
28,380	1,187	6,759		3,480		144,290
						73
						845
						626
28,380	1,187	6,759		3,480		145,834
30,800	1,788	9,979	1,837	5,504	22	180,741
						322
						156
						478
						7,814
1,110	450	2,507	6,932	(580)	3,551	5,123
1,110	450	2,507	6,932	(580)	3,551	12,937
31,910	2,238	12,486	8,769	4,924	3,573	194,156

COUNTY OF CONTRA COSTA

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION

INTERNAL SERVICE FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2018

(In Thousands)

	Fleet Services	Employee Dental Insurance	Long-Term Disability Insurance	Workers' Compensation Insurance County General
Operating Revenues:				
Charges for services	$ 197	11,346	1,055	26,903
Other revenue	13,470			
Total operating revenues	13,667	11,346	1,055	26,903
Operating Expenses:				
Salaries and employee benefits	1,829			
Services and supplies	7,128	740	6	7,607
Benefit and claim expense		10,868	781	17,726
Other charges	1,131			
Depreciation	2,585			
Total operating expenses	12,673	11,608	787	25,333
Operating Income (Loss)	994	(262)	268	1,570
Nonoperating Revenues (Expenses):				
Investment income (loss)		44	23	313
Total nonoperating revenues (expenses)		44	23	313
Income (loss) before capital contributions and transfers	994	(218)	291	1,883
Capital contributions	102			
Transfers in	19			
Transfers out	(97)			
Change in net position	1,018	(218)	291	1,883
Total Net Position (Deficit) at Beginning of Year	11,490	3,086	(768)	(17,815)
Total Net Position (Deficit) at End of Year	$ 12,508	2,868	(477)	(15,932)

Workers' Compensation Insurance Fire Protection	Automotive Liability Insurance	Public Liability Insurance	State Unemployment Insurance	Medical Liability Insurance	Special District Property Insurance	Total
4,846	600	7,773	1,758	3,300	1,875	59,653
126						13,596
4,972	600	7,773	1,758	3,300	1,875	73,249
						1,829
689	850	4,899	7	1,459	610	23,995
288	322	3,482	1,119	3,452	651	38,689
						1,131
						2,585
977	1,172	8,381	1,126	4,911	1,261	68,229
3,995	(572)	(608)	632	(1,611)	614	5,020
87	13	33	113			626
87	13	33	113			626
4,082	(559)	(575)	745	(1,611)	614	5,646
						102
	105				48	172
		(105)			(29)	(231)
4,082	(454)	(680)	745	(1,611)	633	5,689
(2,972)	904	3,187	6,187	1,031	2,918	7,248
1,110	450	2,507	6,932	(580)	3,551	12,937

COUNTY OF CONTRA COSTA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(In Thousands)

	Fleet Services	Employee Dental Insurance	Long-Term Disability Insurance	Workers' Compensation Insurance County General
Cash Flows from Operating Activities:				
Cash received from customers	$ 13,742	11,346	960	26,810
Cash payment to other funds	(91)			
Cash payment to suppliers for goods and services	(8,177)	(11,634)	(1,184)	(21,164)
Cash payment to employees for services	(2,105)		(67)	
Net Cash Provided by (Used for) Operating Activities	3,369	(288)	(291)	5,646
Cash Flows from Noncapital Financing Activities:				
Transfers received	19			
Transfers paid out	(97)			
Net Cash Provided by (used for) Noncapital Financing Activities	(78)			
Cash Flows from Capital and Related Financing Activities:				
Acquisition and construction of capital assets	(1,718)			
Capital contributions	102			
Net Cash Used for Capital and Related Financing Activities	(1,616)			
Cash Flows from Investing Activities:				
Interest received on investments		44	23	313
Net Cash Provided by Investing Activities		44	23	313
Net Increase (Decrease) in Cash and Cash Equivalents	1,675	(244)	(268)	5,959
Cash and Cash Equivalents at Beginning of Year	3,681	4,133	2,408	100,126
Cash and Cash Equivalents at End of Year	$ 5,356	3,889	2,140	106,085
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:				
Operating Income (Loss)	$ 994	(262)	268	1,570
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:				
Depreciation	2,585			
Changes in operating assets and liabilities:				
Decrease (increase) in:				
Accounts receivable and accrued revenue	1		(95)	(96)
Inventories	82			
Due from other funds	(468)			3
Prepaid expense	74			
Deferred OPEB outflows	(65)			
Deferred pension ouflows	54			
Increase (decrease) in:				
Accounts payable and accrued liabilities	59		(67)	9
Claims payable		(29)	(397)	4,160
Due to other funds	377	3		
Deferred inflows of resources	207			
Net pension liability	(555)			
Net OPEB liability	19			
Compensated absences	5			
Net Cash Provided by (Used for) Operating Activities	$ 3,369	(288)	(291)	5,646

Workers' Compensation Insurance Fire Protection	Automotive Liability Insurance	Public Liability Insurance	State Unemployment Insurance	Medical Liability Insurance	Special District Property Insurance	Total
4,940	570	7,767	1,748	3,301	1,851	73,035
						(91)
(2,913)	(1,071)	(6,968)	(1,091)	(3,909)	(1,256)	(59,367)
						(2,172)
2,027	(501)	799	657	(608)	595	11,405
	105				48	172
		(105)			(29)	(231)
	105	(105)			19	(59)
						(1,718)
						102
						(1,616)
87	13	33	113			626
87	13	33	113			626
2,114	(383)	727	770	(608)	614	10,356
29,391	2,564	11,724	7,848	5,521	2,921	170,317
31,505	2,181	12,451	8,618	4,913	3,535	180,673
3,995	(572)	(608)	632	(1,611)	614	5,020
						2,585
(32)		7	(10)			(225)
						82
	(30)			1	(38)	(532)
		(13)				61
						(65)
						54
					14	15
(1,926)	100	1,393	42	1,000		4,343
(10)	1	20	(7)	2	5	391
						207
						(555)
						19
						5
2,027	(501)	799	657	(608)	595	11,405

THE SEAL OF
CONTRA COSTA COUNTY CALIFORNIA

FIDUCIARY FUNDS

PRIVATE-PURPOSE TRUST FUNDS

SUCCESSOR AGENCY TO THE CONTRA COSTA COUNTY REDEVELOPMENT AGENCY

This fund accounts for the payments due for enforceable obligations, performance of obligations, and disposal of all assets of the former redevelopment agency.

OTHER PRIVATE-PURPOSE TRUST FUND

This fund accounts for assets held in trust for the benefit of individuals, private organizations, and other governments.

AGENCY FUNDS

TAX LOSSES RESERVE

This fund was established as a reserve for all delinquent secured taxes. It accumulates gains from tax sales and specified amounts of penalties and interest collected on delinquent secured taxes to cover possible future losses on the sale of tax-deeded property.

UNAPPORTIONED TAXES

This fund is used to account for the following: unsecured taxes receivable, delinquent secured taxes, amounts which are impounded because of disputes or litigation, and amounts held pending authority for apportionment.

OTHER AGENCIES

This fund is used to account for assets held by the county for individuals, private organizations, and other governmental units. This fund includes payroll deduction clearing and other collections clearing monies.

COUNTY OF CONTRA COSTA

COMBINING STATEMENT OF FIDUCIARY NET POSITION

PRIVATE-PURPOSE TRUST FUNDS

JUNE 30, 2018

(In Thousands)

	Successor Agency to the Contra Costa County Redevelopment Agency	Other Private-Purpose Trust	Total
Assets:			
Cash and investments	$ 4,227	29,437	33,664
Receivables		84	84
Notes receivable, net	25		25
Prepaid items and deposits	530		530
Restricted cash and investments	882		882
Total assets	5,664	29,521	35,185
Deferred Outflows of Resources:			
Loss on refunding of debt	3,259		3,259
Total outflows of resources	3,259		3,259
Liabilities:			
Accounts payable and accrued liabilities	4	56	60
Due to other governments	263		263
Accrued interest payable	509		509
Noncurrent liabitilities:			
Due within one year	2,805		2,805
Due in more than one year	79,337		79,337
Total liabilities	82,918	56	82,974
Net Position (Deficit):			
Held in trust for redevelopment and other purposes	1,412	29,465	30,877
Unrestricted deficit	(75,407)		(75,407)
Total net position (deficit)	$ (73,995)	29,465	(44,530)
Total Liabilities and Equity	$ 8,923	29,521	38,444

COUNTY OF CONTRA COSTA

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

PRIVATE-PURPOSE TRUST FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2018

(In Thousands)

	Successor Agency to the Contra Costa County Redevelopment Agency	Other Private-Purpose Trust	Total
Additions:			
Property tax distribution	$ 5,683		5,683
Other revenue	598	22,742	23,340
Investment income		21	21
Total additions	6,281	22,763	29,044
Deductions:			
Project expenses	102		102
Financial assistance payments	1,428		1,428
Interest and fiscal charges	1,020		1,020
Administrative and other expenses	242	1,121	1,363
Other		27,434	27,434
Total deductions	2,792	28,555	31,347
Change in net position	3,489	(5,792)	(2,303)
Net Position (Deficit) at Beginning of Year	(77,484)	35,257	(42,227)
Net Position (Deficit) at End of Year	$ (73,995)	29,465	(44,530)

COUNTY OF CONTRA COSTA

STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES

AGENCY FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2018

(In Thousands)

	Balance July 1, 2017	Additions	Deductions	Balance June 30, 2018
Tax Losses Reserve:				
Assets:				
Cash and investments	$ 84,327	13,808	22,441	75,694
Due from other governments	6,982	6,397	6,982	6,397
Total assets	$ 91,309	20,205	29,423	82,091
Liabilities:				
Due to other governments	$ 22,000	20,000	22,000	20,000
Tax loss guarantees	69,309	13,223	20,441	62,091
Total liabilities	$ 91,309	33,223	42,441	82,091
Unapportioned Taxes:				
Assets:				
Cash and investments	$	1,116,894	1,116,894	
Accounts receivable	23,157	31,173	30,624	23,706
Taxes receivable	166,961	927,692	927,322	167,331
Total assets	$ 190,118	2,075,759	2,074,840	191,037
Liabilities:				
Accounts payable	$ 56,645	91,119	95,203	52,561
Due to other governments	6,562	4,730	6,562	4,730
Unapportioned taxes	126,911	1,885,998	1,879,163	133,746
Total liabilities	$ 190,118	1,981,847	1,980,928	191,037
Other Agencies:				
Assets:				
Cash and investments	$ 101,027	1,574,800	1,564,827	111,000
Accounts receivable	16,852	44,138	43,147	17,843
Due from other governments		1,425	1,425	
Total assets	$ 117,879	1,620,363	1,609,399	128,843
Liabilities:				
Warrants outstanding	$ 42,461	266,826	265,557	43,730
Accounts payable	9,277	1,217,628	1,215,854	11,051
Due to other governments		4,978	4,978	
Due to other agencies and districts	66,141	261,602	253,681	74,062
Total liabilities	$ 117,879	1,751,034	1,740,070	128,843

(continued)

COUNTY OF CONTRA COSTA

STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES

AGENCY FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2018

(In Thousands)

	Balance July 1, 2017	Additions	Deductions	Balance June 30, 2018
Totals-Agency Funds:				
Assets:				
Cash and investments	$ 185,354	2,705,502	2,704,162	186,694
Accounts receivable	40,009	75,311	73,771	41,549
Due from other governments	6,982	7,822	8,407	6,397
Taxes receivable	166,961	927,692	927,322	167,331
Total assets	$ 399,306	3,716,327	3,713,662	401,971
Liabilities:				
Warrants outstanding	$ 42,461	266,826	265,557	43,730
Accounts payable	65,922	1,308,747	1,311,057	63,612
Due to other governments	28,562	29,708	33,540	24,730
Unapportioned taxes	126,911	1,885,998	1,879,163	133,746
Tax loss guarantees	69,309	13,223	20,441	62,091
Due to other agencies and districts	66,141	261,602	253,681	74,062
Total liabilities	$ 399,306	3,766,104	3,763,439	401,971

(concluded)

THE SEAL OF
CONTRA COSTA COUNTY CALIFORNIA

Statistical Section

COUNTY OF CONTRA COSTA

Statistical Section

This part of the county's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the county's overall financial health.

Financial Trends

These schedules contain trend information to help the reader understand how the county's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the county's most significant local revenue source, property taxes.

Debt Capacity

These schedules present information to help the reader assess the affordability of the county's current levels of outstanding debt and the county's ability to issue additional debt in the future.

Economic & Demographic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the county's financial activities take place.

Operating Information

These schedules contain service and capital asset data to help the reader understand how the information in the county's financial report relates to the services the county provides and the activities it performs.

COUNTY OF CONTRA COSTA

NET POSITION BY COMPONENT[1]

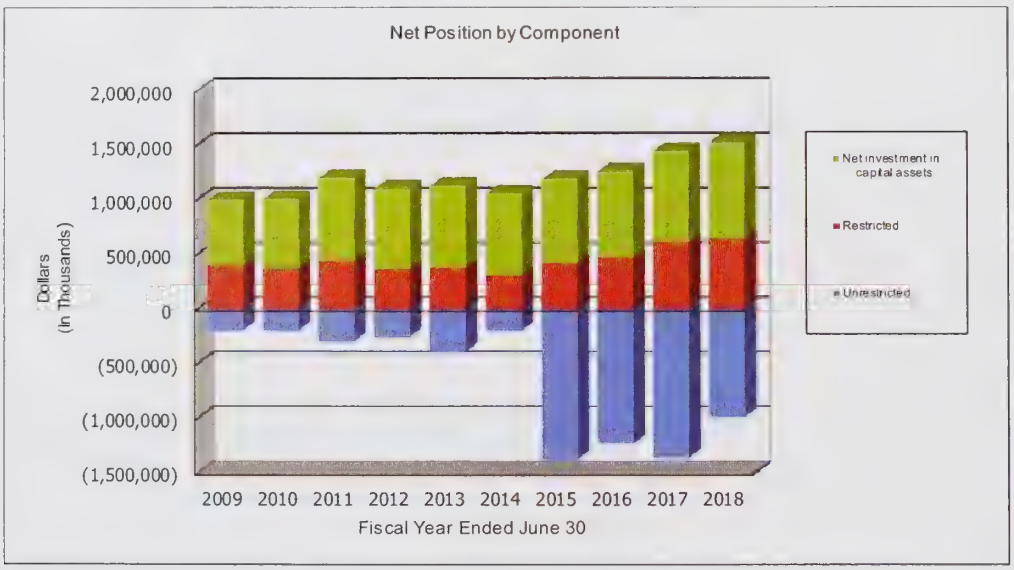
LAST TEN FISCAL YEARS

(Accrual basis of accounting)

(In Thousands)

(Unaudited)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Governmental activities										
Net investment in capital assets[2]	$ 543,582	574,525	673,641	672,378	684,743	692,980	712,986	728,388	751,853	793,751
Restricted	369,912	361,709	431,646	358,796	382,997	317,075	424,027	467,605	613,345	644,682
Unrestricted	(203,042)	(209,290)	(341,145)	(297,523)	(433,332)	(260,330)	(1,232,683)	(1,120,737)	(1,245,474)	(939,047)
Total governmental activities net position	710,452	726,944	764,142	733,651	634,408	749,725	(95,670)	75,256	119,724	499,386
Business-type activities										
Net investment in capital assets	55,131	53,936	74,056	57,593	54,497	42,521	48,565	60,495	77,853	81,892
Restricted	26,121	14,177	16,360	10,535						
Unrestricted	5,157	9,616	41,289	40,900	39,991	60,032	(144,766)	(110,882)	(113,741)	(51,189)
Total business-type activities net position	86,409	77,729	131,705	109,028	94,488	102,553	(96,201)	(50,387)	(35,888)	30,703
Primary government										
Net investment in capital assets	598,713	628,461	747,697	729,971	739,240	735,501	761,551	788,883	829,706	875,643
Restricted	396,033	375,886	448,006	369,331	382,997	317,075	424,027	467,605	613,345	644,682
Unrestricted	(197,885)	(199,674)	(299,856)	(256,623)	(393,341)	(200,298)	(1,377,449)	(1,231,619)	(1,359,215)	(990,236)
Total primary government net position	$ 796,861	804,673	895,847	842,679	728,896	852,278	(191,871)	24,869	83,836	530,089



[1] Accounting standards require that net position be reported in three components in the financial statements: net investment in capital assets; restricted; and unrestricted. Net position is considered restricted only when an external party, such as a state or federal government, places a restriction on how the resources may be used, or through enabling legislation enacted by the county.

[2] Capital assets include land, easements, infrastructure, construction in progress, structures & improvements, intangibles, and equipment.

Source: Comprehensive Annual Financial Report - County of Contra Costa, California

COUNTY OF CONTRA COSTA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual basis of accounting)
(In Thousands)
(Unaudited)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Expenses										
Governmental activities										
General government	$ 199,218	213,086	169,789	158,709	153,960	177,482	138,979	162,094	129,516	137,681
Public protection	552,037	510,384	493,927	507,852	522,648	536,087	539,353	590,047	658,909	654,440
Health and sanitation	240,383	229,002	234,120	230,517	222,567	231,673	228,861	239,340	246,583	265,007
Public assistance	461,159	422,492	422,722	408,330	429,816	438,255	445,016	467,741	491,230	472,858
Education	28,983	24,868	23,335	23,288	23,508	23,188	22,867	24,829	27,308	26,418
Public ways and facilities	60,726	36,300	43,971	42,252	30,453	37,067	41,426	36,298	35,231	36,587
Recreation and culture	1,447	991	1,101	1,139	1,036	1,138	1,843	627	1,936	375
Interest on debt	61,239	56,651	53,477	52,033	42,850	40,797	36,353	27,748	32,663	23,987
Capital outlay										
Total governmental activities expenses	1,605,192	1,493,774	1,442,442	1,424,120	1,426,838	1,485,687	1,454,698	1,548,724	1,623,376	1,617,353
Business-type activities										
County Hospital	372,416	382,306	395,819	464,449	482,522	486,797	472,557	515,115	543,039	570,463
Airport	5,127	4,480	4,563	4,310	4,746	4,394	4,182	4,349	4,893	4,897
Sheriff Law Enforcement Training Center	1,266	1,219	1,202	1,347	1,382	1,456	1,370	1,427	903	2,379
Childcare Enterprise	12	31	68	59	35					
HMO Medi-Cal Plan	97,827	113,302	150,557	184,007	290,289	343,805	576,801	643,517	787,338	831,269
HMO Commercial Plan	112,316	92,789	114,232	136,726	120,423	102,258	86,207	84,056	75,459	73,931
Major risk medical insurance	1,013	1,026	1,047	803	1,208	744	422	1		46
Total business-type activities expenses	589,977	595,153	667,488	791,701	900,605	939,454	1,141,539	1,248,465	1,411,632	1,482,985
Total primary government expenses	$ 2,195,169	2,088,927	2,109,930	2,215,821	2,327,443	2,425,141	2,596,237	2,797,189	3,035,008	3,100,338
Program revenues										
Governmental activities										
Charges for services										
General government	$ 100,315	91,709	96,052	92,228	102,981	110,444	117,899	117,946	124,993	123,176
Public protection	130,270	141,489	130,956	117,274	121,439	122,238	121,529	138,613	177,423	180,263
Health and sanitation	76,938	79,166	81,333	80,941	76,448	84,029	88,885	89,855	88,314	99,433
Public assistance	2,242	6,597	4,110	3,647	3,431	2,539	2,205	2,123	2,154	2,589
Education	992	820	854	861	817	794	741	650	659	551
Public ways and facilities	14,100	10,440	15,841	4,022	5,517	7,559	13,250	9,413	6,580	9,920
Recreation and culture	117	262	21	10	14	87	40	13	8	175
Operating grants and contributions	622,097	663,766	661,239	639,592	693,133	721,594	750,821	759,278	812,454	823,519
Capital grants and contributions	19,943	38,400	25,372	23,089	14,444	15,738	22,385	12,535	17,845	14,434
Total governmental activities program revenues	967,014	1,032,649	1,015,778	961,664	1,018,224	1,065,022	1,117,755	1,130,426	1,230,430	1,254,060
Business-type activities										
Charges for services										
County Hospital	310,221	329,559	400,667	433,253	446,197	473,664	505,641	510,051	531,248	567,064
HMO Medi-Cal Plan	98,211	113,835	151,921	188,148	292,130	350,655	603,042	660,637	792,172	856,040
HMO Commercial Plan	68,845	62,744	63,631	63,508	65,098	78,423	83,200	75,185	73,646	72,243
Airport	3,446	3,459	3,482	3,528	3,730	3,842	4,019	4,162	4,292	4,467
Sheriff Law Enforcement Training Center	768	756	527	686	921	1,174	1,101	996	1,123	1,050
Major risk medical insurance	936	855	875	795	950	1,003	422	1	45	
Operating grants and contributions	135,026	127,900	158,115	80,147	63,210	26,783	14,523	15,803	20,597	18,388
Capital grants and contributions	7,377	6,278	8,847	5,755	5,750	5,749	5,808	4,245	7,180	14,102
Total business-type activities program revenues	624,830	645,386	788,065	775,820	877,986	941,293	1,217,756	1,271,080	1,430,303	1,533,354
Total primary government program revenues	$ 1,591,844	1,678,035	1,803,843	1,737,484	1,896,210	2,006,315	2,335,511	2,401,506	2,660,733	2,787,414
Net (Expense)/Revenue [1]										
Governmental activities	$ (638,178)	(461,125)	(426,664)	(462,456)	(408,614)	(420,665)	(336,943)	(418,298)	(392,946)	(363,293)
Business-type activities	34,853	50,233	120,577	(15,881)	(22,619)	1,839	76,217	22,615	18,671	50,369
Total primary government net expense	$ (603,325)	(410,892)	(306,087)	(478,337)	(431,233)	(418,826)	(260,726)	(395,683)	(374,275)	(312,924)

[1] Net (expense)/revenue is the difference between the expenses and program revenues of a function or program. It indicates the degree to which a function or program supports itself with its own fees and grants versus its reliance upon funding from taxes and other general revenues. Numbers in parentheses are net expenses, indicating that expenses were greater than program revenues and therefore general revenues were needed to finance that function or program.

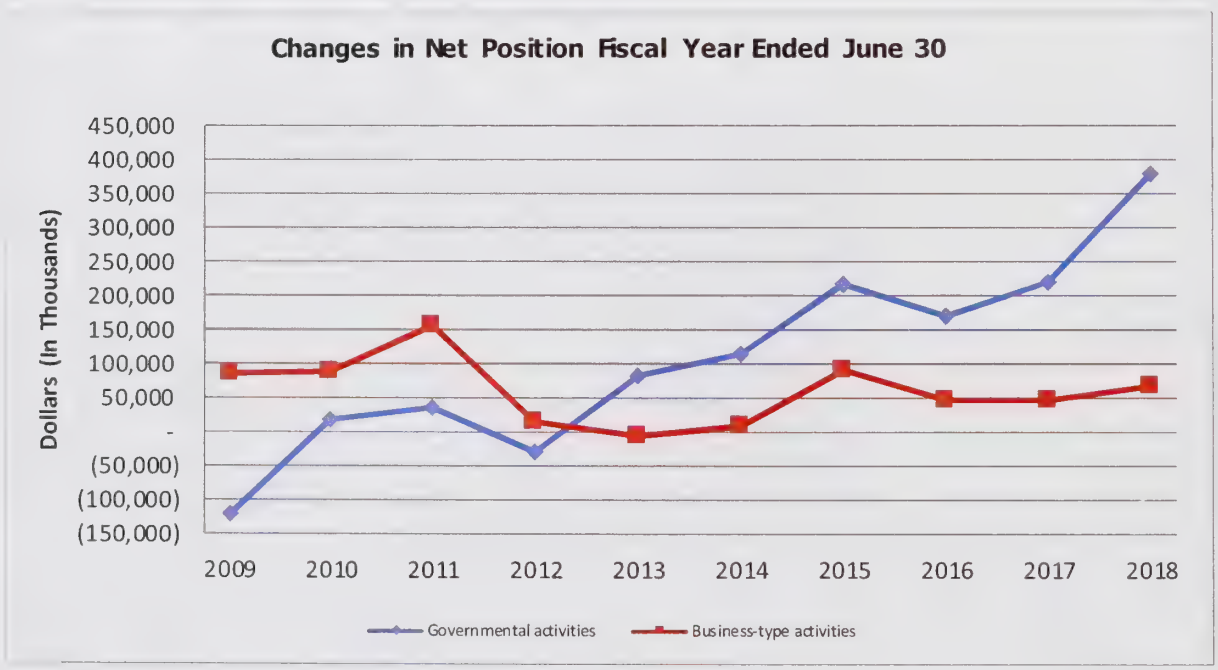
Source: Comprehensive Annual Financial Report - County of Contra Costa, California

(continued)

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual basis of accounting)
(In Thousands)
(Unaudited)

		2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Revenues and Other Changes in Net Position											
Governmental activities											
Taxes											
Property	$	451,180	418,001	400,719	395,191	396,751	423,121	459,850	506,219	536,311	566,460
Sales		13,444	12,957	14,026	13,191	14,766	15,813	14,328	14,178	16,147	14,267
Other		26,709	21,693	20,849	21,369	22,639	23,693	24,870	15,440	15,174	14,604
Grants/contributions not restricted		14,089	15,809	14,974	14,422	14,346	15,524	17,008	14,653	16,963	20,070
Investment earnings		47,051	34,033	30,927	53,419	34,950	34,950	34,741	40,423	38,187	49,136
Other		12,935	10,905	22,034	16,657	23,021	28,823	16,718	21,078	17,504	10,153
Special item - proceeds transferred from RDA Successor Agency											83,805
Net Extraordinary gain/(loss)[1]					(51,655)						
Transfers		(49,098)	(35,837)	(42,167)	(30,629)	(15,124)	(5,942)	(13,611)	(22,767)	(27,264)	(15,540)
Total governmental activities		516,310	477,561	461,362	431,965	491,349	535,982	553,904	589,224	613,022	742,955
Business-type activities											
Investment earnings		429	279	128							102
Other		987	749	2,204	1,164	304	284	413	432	969	580
Transfers		49,098	35,837	32,799	30,629	15,124	5,942	13,611	22,767	27,264	15,540
Total business-type activities		50,514	36,865	35,131	31,793	15,428	6,226	14,024	23,199	28,233	16,222
Total primary government	$	566,824	514,426	496,493	463,758	506,777	542,208	567,928	612,423	641,255	759,177
Change in Net Position											
Governmental activities	$	(121,868)	16,436	34,698	(30,491)	82,735	115,317	216,961	170,926	220,076	379,662
Business-type activities		85,367	87,098	155,708	15,912	(7,191)	8,065	90,241	45,814	46,904	66,591
Total primary government	$	(36,501)	103,534	190,406	(14,579)	75,544	123,382	307,202	216,740	266,980	446,253

Source: Comprehensive Annual Financial Report - County of Contra Costa, California



COUNTY OF CONTRA COSTA

FUND BALANCES OF GOVERNMENTAL FUNDS[1]

LAST TEN FISCAL YEARS

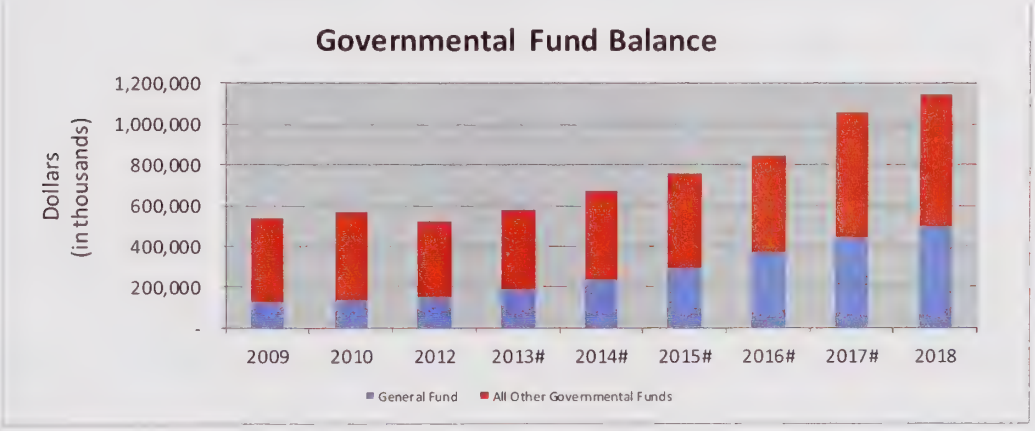
(Modified accrual basis of accounting)

(In Thousands)

(Unaudited)

	Fiscal Year Ending June 30
	2009
General Fund	
Reserved	$ 25,464
Unreserved	105,260
Total general fund	130,724
All Other Governmental Funds	
Reserved	
Special Revenue Funds	47,315
Capital Projects Funds	55,016
Debt Service Funds	36,722
Permanent Funds	1,749
Total Reserved	140,802
Unreserved	
Special Revenue Funds	254,668
Capital Projects Funds	13,529
Total Unreserved	268,197
Total all other governmental funds	408,999
Total Governmental Funds	
Total Reserved	166,266
Total Unreserved	373,457
Total governmental funds	$ 539,723

	Fiscal Year Ending June 30								
	2010	2011	2012	2013#	2014#	2015#	2016#	2017#	2018
General Fund									
Nonspendable	$ 18,460	9,387	16,474	6,103	7,946	10,764	9,807	7,501	8,997
Restricted	3,900	10,696	6,388	6,798	7,254	9,013	9,869	8,233	30,035
Committed	12,750	14,277	711	1,335	1,575	1,508	1,440	1,440	1,398
Assigned	30,287	31,941	47,246	63,752	96,778	125,819	161,387	160,281	199,972
Unassigned	67,972	76,371	81,541	109,520	123,651	148,233	187,655	262,858	254,845
Total general fund	133,369	142,672	152,360	187,508	237,204	295,337	370,158	440,313	495,247
All Other Governmental Funds									
Nonspendable	2,606	9,301	14,453	13,337	4,164	4,948	5,743	4,954	6,131
Restricted	389,452	397,478	346,926	361,481	391,569	395,849	394,638	509,088	494,877
Committed	7,700	13,646	353	324	342	342	341	342	342
Assigned	36,311	25,403	18,633	25,056	41,272	65,263	71,751	109,492	150,348
Unassigned	(141)	(9,291)	(12,391)	(7,851)	(776)			(5,788)	(4,518)
Total all other governmental funds	435,928	436,537	367,974	392,347	436,571	466,402	472,473	618,088	647,180
Total Governmental Funds									
Nonspendable	21,066	18,688	30,927	19,440	12,110	15,712	15,550	12,455	15,128
Restricted	393,352	408,174	353,314	368,279	398,823	404,862	404,507	517,321	524,912
Committed	20,450	27,923	1,064	1,659	1,917	1,850	1,781	1,782	1,740
Assigned	66,598	57,344	65,879	82,810	119,408	159,432	187,840	232,794	350,320
Unassigned	67,831	67,080	69,150	107,667	141,517	179,883	232,953	294,049	250,327
Total governmental funds	$ 569,297	579,209	520,334	579,855	673,775	761,739	842,631	1,058,401	1,142,427



Revised

[1]The county has implemented GASB Statement No. 54 under which governmental fund balances are reported as nonspendable, restricted, committed, assigned, and unassigned as opposed to reserved and unreserved.

Source: Comprehensive Annual Financial Report - County of Contra Costa, California

COUNTY OF CONTRA COSTA

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

(Modified accrual basis of accounting)

(In Thousands)

(Unaudited)

	2009	2010	2011	2012
Revenues:				
Taxes	$ 505,424	468,458	449,671	443,281
Licenses, permits and franchise fees	25,485	21,458	24,291	21,662
Fines, forfeitures and penalties	19,604	18,717	23,430	21,754
Use of money and property	39,610	30,805	27,857	50,481
Intergovernmental	642,158	705,292	688,868	664,600
Charges for services	279,693	277,710	279,188	253,648
Other revenue	157,295	122,008	125,305	183,233
Total revenues	1,669,269	1,644,448	1,618,610	1,638,659
Expenditures:				
Current:				
General government	173,240	137,431	146,106	135,497
Public protection	560,416	541,064	521,664	553,699
Health and sanitation	219,008	222,252	230,233	224,990
Public assistance	459,552	444,916	448,569	468,310
Education	27,261	25,449	22,737	22,692
Public ways and facilities	121,152	98,056	93,138	79,157
Recreation and culture	1,553	1,166	1,239	1,121
Debt service:				
Principal	43,038	52,352	71,469	84,028
Debt issuance cost	326		258	
Interest	61,099	56,047	53,163	49,575
Total expenditures	1,666,645	1,578,733	1,588,576	1,619,069
Excess of revenues over expenditures	2,624	65,715	30,034	19,590
Other Financing Sources (Uses):				
Transfers in	84,199	85,401	90,092	114,858
Transfers out	(138,458)	(121,542)	(128,355)	(145,411)
Proceeds from issuance of debt	23,121		16,808	262
transferred to business-type activities transferred from RDA Successor Agency				3,120
Premium on debt issued			389	
Payment to refunded bond escrow agent				
Capital lease financing	2,629		944	361
Total other financing sources (uses)	(28,509)	(36,141)	(20,122)	(26,810)
Net Extraordinary gain/(loss)				(51,655)
Net change in fund balances	(25,885)	29,574	9,912	(58,875)
Fund Balances at Beginning of Year	565,608	539,723	569,297	579,209
Fund Balances at End of Year	$ 539,723	569,297	579,209	520,334
Debt Service:				
Principal	$ 43,038	52,352	71,469	84,028
Interest	61,099	56,047	53,163	49,575
Total Debt Service	$ 104,137	108,399	124,632	133,603
NonCapital Expenditures:				
Total Expenditures	$ 1,666,645	1,578,733	1,588,576	1,619,069
Capital Outlays included in Function Expenditures	68,522	59,545	41,488	47,599
Total NonCapital Expenditures	$ 1,598,123	1,519,188	1,547,088	1,571,470
Debt service as a percentage of noncapital expenditures	6.52%	7.14%	8.06%	8.50%

Source: Comprehensive Annual Financial Report - County of Contra Costa, California

2013	2014	2015	2016	2017	2018
448,502	478,153	516,057	550,489	584,592	615,300
23,314	27,471	29,199	31,990	34,432	35,649
35,757	37,277	34,363	33,598	33,223	30,729
33,837	34,047	33,000	37,453	35,941	46,243
709,009	737,940	773,249	771,812	830,301	837,953
249,994	262,329	280,945	293,024	332,477	349,731
254,513	288,783	291,671	303,876	331,486	344,217
1,754,926	1,866,000	1,958,484	2,022,242	2,182,452	2,259,822
138,361	150,770	164,140	176,093	184,088	225,728
569,496	594,366	656,473	679,811	740,901	771,876
264,214	291,820	304,913	319,373	332,285	366,196
495,515	513,200	538,796	549,395	581,014	582,655
22,998	22,941	24,773	25,286	28,321	28,522
75,422	79,763	97,025	94,197	92,511	101,494
878	1,104	1,736	1,525	4,107	2,038
69,304	73,360	45,123	96,364	92,986	146,627
238			512	351	
45,169	40,774	36,302	36,108	31,561	23,655
1,681,595	1,768,098	1,869,281	1,978,664	2,088,125	2,248,791
73,331	97,902	89,203	43,578	94,327	11,031
77,722	89,272	48,132	41,244	43,169	58,456
(92,758)	(95,068)	(61,662)	(63,946)	(70,303)	(73,937)
5,619			47,561	142,694	
					83,805
20			6,784		
(5,721)					
1,308	1,814	12,291	5,671	5,883	4,671
(13,810)	(3,982)	(1,239)	37,314	121,443	72,995
59,521	93,920	87,964	80,892	215,770	84,026
520,334	579,855	673,775	761,739	842,631	1,058,401
579,855	673,775	761,739	842,631	1,058,401	1,142,427
69,304	73,360	45,123	96,364	92,986	146,627
45,169	40,774	36,302	36,108	31,561	23,655
114,473	114,134	81,425	132,472	124,547	170,282
1,681,595	1,768,098	1,869,281	1,978,664	2,088,125	2,248,791
38,304	43,909	60,091	56,331	61,751	81,405
1,643,291	1,724,189	1,809,190	1,922,333	2,026,374	2,167,386
6.97%	6.62%	4.50%	6.89%	6.15%	7.86%

COUNTY OF CONTRA COSTA

PROGRAM REVENUES BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS

(Accrual basis of accounting)

(In Thousands)

(Unaudited)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Governmental activities - program revenues										
Charges for services										
General government	$ 100,315	91,709	96,052	92,228	102,981	110,444	117,899	117,946	124,993	123,176
Public Protection	130,270	141,489	130,956	117,274	121,439	122,238	121,529	138,613	177,423	180,263
Health and sanitation	76,938	79,166	81,333	80,941	76,448	84,029	88,885	89,855	88,314	99,433
Public assistance	2,242	6,597	4,110	3,647	3,431	2,539	2,205	2,123	2,154	2,589
Education	992	820	854	861	817	794	741	650	659	551
Public ways and facilities	14,100	10,440	15,841	4,022	5,517	7,559	13,250	9,413	6,580	9,920
Recreation and culture	117	262	21	10	14	87	40	13	8	175
Subtotal	324,974	330,483	329,167	298,983	310,647	327,690	344,549	358,613	400,131	416,107
Operating grants and contributions										
General government	11,148	12,525	11,286	7,434	4,427	6,283	17,575	9,683	13,268	9,714
Public protection	122,280	120,794	130,129	152,808	174,031	182,559	183,588	189,931	201,160	199,826
Health and sanitation	97,607	147,891	126,456	106,428	110,564	101,623	103,795	104,061	120,037	140,499
Public assistance	371,390	369,877	381,964	362,453	398,985	423,051	440,166	450,825	472,580	468,538
Education	3,423	4,201	3,848	2,684	2,674	2,760	2,798	3,266	3,103	3,042
Public ways and facilities	16,095	8,467	7,482	7,774	2,440	5,110	2,807	1,337	1,204	1,309
Recreation and culture	154	11	74	11	12	208	92	175	1,102	591
Subtotal	622,097	663,766	661,239	639,592	693,133	721,594	750,821	759,278	812,454	823,519
Capital grants and contributions										
General government					148					
Public ways and facilities	19,943	38,400	25,372	23,089	14,296	15,738	22,385	12,535	17,845	14,434
Subtotal	19,943	38,400	25,372	23,089	14,444	15,738	22,385	12,535	17,845	14,434
Total governmental activities program revenues	967,014	1,032,649	1,015,778	961,664	1,018,224	1,065,022	1,117,755	1,130,426	1,230,430	1,254,060
Business-type activities program revenues										
Charges for services										
County Hospital	310,221	329,559	400,667	433,253	446,197	473,664	505,641	510,051	531,248	567,064
HMO Medi-Cal Plan	98,211	113,835	151,921	188,148	292,130	350,655	603,042	660,637	792,172	856,040
HMO Commercial Plan	68,845	62,744	63,631	63,508	65,098	78,423	83,200	75,185	73,646	72,243
Airport	3,446	3,459	3,482	3,528	3,730	3,842	4,019	4,162	4,292	4,467
Sheriff Law Enforcement Training Center	768	756	527	686	921	1,174	1,101	996	1,123	1,050
Major risk medical insurance	936	855	875	795	950	1,003	422	1	45	
Subtotal	482,427	511,208	621,103	689,918	809,026	908,761	1,197,425	1,251,032	1,402,526	1,500,864
Operating grants and contributions										
County Hospital	9,257	18,662	9,542	8,947	7,800	5,289	13,963	14,564	18,809	17,682
HMO Commercial Plan	38,157	27,269	46,764	69,866	52,333	21,224	92	2		
Airport	326	71	65	1,137	2,850	70	97	856	1,569	429
Sheriff Law Enforcement Training Center	239	214	216	197	227	200	371	381	219	277
Subtotal	47,979	46,216	56,587	80,147	63,210	26,783	14,523	15,803	20,597	18,388
Capital grants and contributions										
County Hospital	6,428	5,289	5,764	5,755	5,750	5,749	5,808	4,245	7,180	14,096
Airport										6
Subtotal	6,428	5,289	5,764	5,755	5,750	5,749	5,808	4,245	7,180	14,102
Total business-type activities program revenues	536,834	562,713	683,454	775,820	877,986	941,293	1,217,756	1,271,080	1,430,303	1,533,354
Total primary government program revenues	$ 1,503,848	1,595,362	1,699,232	1,737,484	1,896,210	2,006,315	2,335,511	2,401,506	2,660,733	2,787,414

Source: Comprehensive Annual Financial Report - County of Contra Costa, California

COUNTY OF CONTRA COSTA

GOVERNMENT FUNDS - TAX REVENUES BY SOURCE

LAST TEN FISCAL YEARS

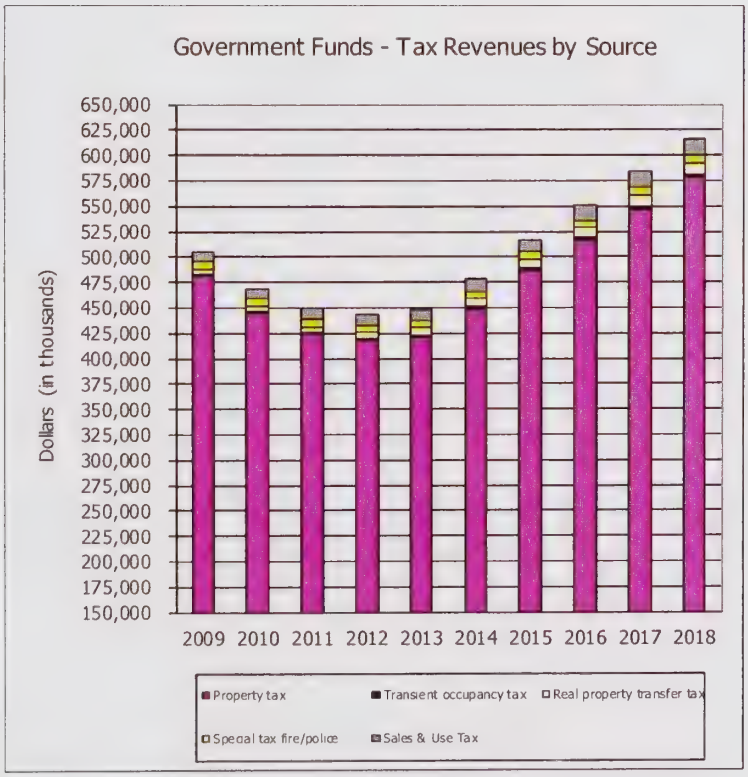
(Modified accrual basis of accounting)

(In Thousands)

(Unaudited)

Fiscal Year Ended		Property Tax	Transient Occupancy Tax	Real Property Transfer Tax	Special Tax Fire/Police	Sales & Use Tax	Total
2009	$	481,325	1,844	5,248	7,007	10,000	505,424
2010		444,458	1,906	5,341	7,093	9,660	468,458
2011		424,799	1,439	5,196	7,101	11,136	449,671
2012		418,472	1,836	5,472	7,219	10,282	443,281
2013		421,176	2,171	6,724	7,393	11,038	448,502
2014		448,923	2,435	7,427	7,434	11,934	478,153
2015		486,697	2,820	8,332	7,490	10,718	516,057
2016		515,708	3,148	9,510	7,574	14,549	550,489
2017		546,863	3,372	10,117	7,673	16,567	584,592
2018		578,426	3,329	10,860	7,917	14,768	615,300

Source: Comprehensive Annual Financial Report - County of Contra Costa, California



COUNTY OF CONTRA COSTA

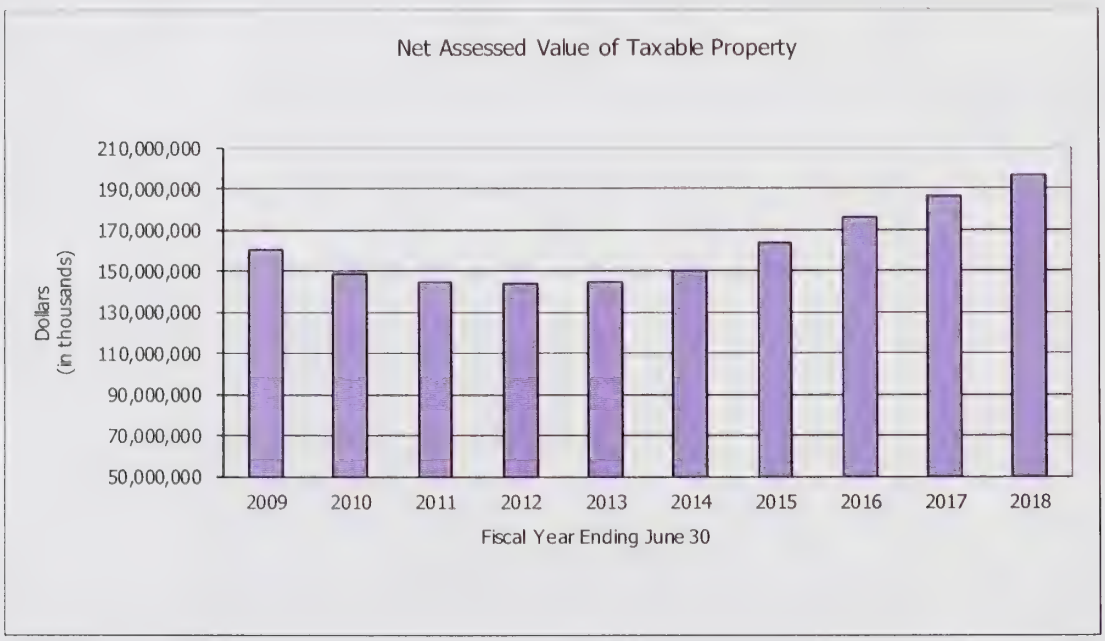
ASSESSED VALUE OF TAXABLE PROPERTY

LAST TEN FISCAL YEARS

(In Thousands)

(Unaudited)

Fiscal Year Ended June 30	Assessed Value [1]					Total Direct Tax Rate	Net Increase (Decrease)	
	Real Property	Personal Property	Total	Exemptions	Net Assessed Value of Taxable Property		Amount	Percentage
2009	$ 159,825,416	3,714,884	163,540,300	3,721,464	159,818,836	1.00	488,501	0.31 %
2010	149,232,578	3,518,009	152,750,587	4,106,372	148,644,215	1.00	(11,174,621)	(6.99)
2011	145,251,206	3,388,408	148,639,614	4,495,004	144,144,610	1.00	(4,499,605)	(3.03)
2012	144,914,804	3,464,048	148,378,852	4,756,022	143,622,830	1.00	(521,780)	(0.36)
2013	146,175,023	3,550,351	149,725,374	4,916,847	144,808,527	1.00	1,185,697	0.83
2014	152,094,496	3,117,109	155,211,605	5,081,776	150,129,829	1.00	5,321,302	3.67
2015	165,375,782	3,381,581	168,757,363	5,245,692	163,511,671	1.00	13,381,842	8.91
2016	177,534,793	3,543,798	181,078,591	5,471,705	175,606,886	1.00	12,095,215	7.40
2017	188,157,728 #	3,548,242	191,705,970 #	5,747,702	185,958,268 #	1.00	10,351,382 #	5.89
2018	198,906,818	3,514,927	202,421,745	6,032,619	196,389,126	1.00	10,430,858	5.61



Revised

[1] Assessed values are those defined under California Revenue and Taxation Code Sections: 601 and 721 et. seq. Article XIIIA, added to California Constitution by Proposition 13 in 1978, fixed the base for valuation of property subject to taxes at the full cash value which appeared on the Assessor's 1975-76 assessment roll. Thereafter, full cash value can be increased:

a) to reflect annual inflation up to 2 percent;

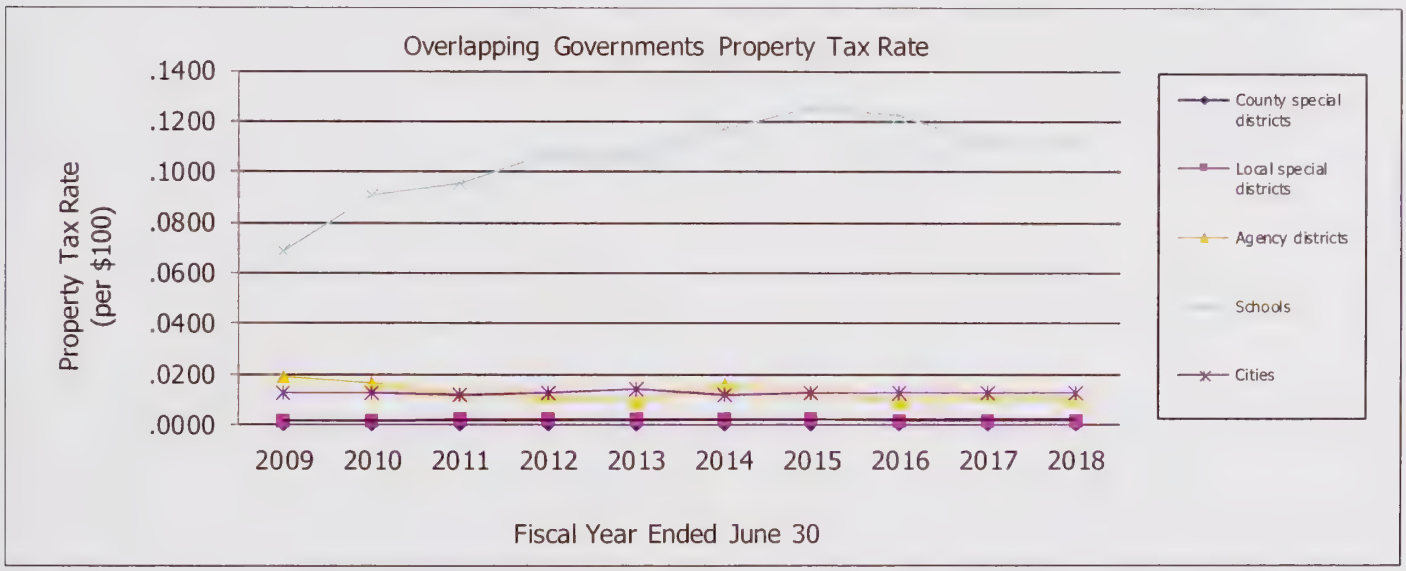
b) to reflect current market value at time of ownership change; and

c) to reflect market value for new construction.

Source: Office of the Auditor-Controller - Property Tax Division - County of Contra Costa, California

COUNTY OF CONTRA COSTA
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year Ended June 30	Countywide Rate [1]			County Special Districts	Local Special Districts	Agency Districts	Schools	Cities	Total
	County	Other	Total						
2009	.1330	.8670	1.0000	.0000	.0013	.0192	.0691	.0131	1.1027
2010	.1334	.8666	1.0000	.0000	.0015	.0167	.0911	.0126	1.1219
2011	.1331	.8669	1.0000	.0000	.0024	.0117	.0959	.0121	1.1221
2012	.1336	.8664	1.0000	.0000	.0026	.0114	.1070	.0127	1.1337
2013	.1338	.8662	1.0000	.0000	.0024	.0096	.1070	.0144	1.1334
2014	.1336	.8664	1.0000	.0000	.0024	.0155	.1168	.0122	1.1469
2015	.1328	.8672	1.0000	.0000	.0021	.0131	.1254	.0125	1.1531
2016	.1321	.8679	1.0000	.0000	.0020	.0094	.1227	.0128	1.1469
2017	.1321	.8679	1.0000	.0000	.0019	.0113	.1112	.0126	1.1370
2018	.1323	.8677	1.0000	.0000	.0017	.0105	.1116	.0127	1.1365



[1] In June 1978, California voters approved Proposition 13 which restricted the taxing power of local government agencies. Individual agencies do not establish their own property tax rates, except for voter approved indebtedness. Instead, a countywide rate is levied with the proceeds distributed to all agencies according to formulas specified by the state legislature. The countywide rate is 1 percent of assessed value ($1 per $100 of taxable assessed valuation). The rates shown above are allocations of the 1% tax on assessed valuation.

Source: Office of the Auditor-Controller - Property Tax Division - County of Contra Costa, California

COUNTY OF CONTRA COSTA

PRINCIPAL PROPERTY TAXPAYERS

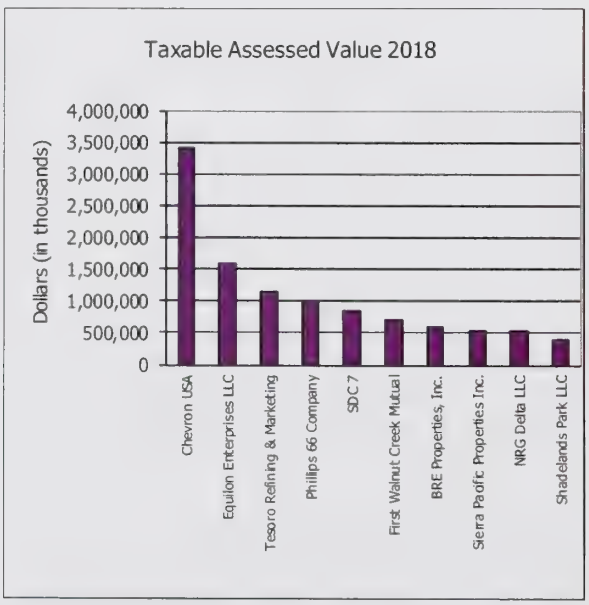
RANKED BY ASSESSED VALUE [1]

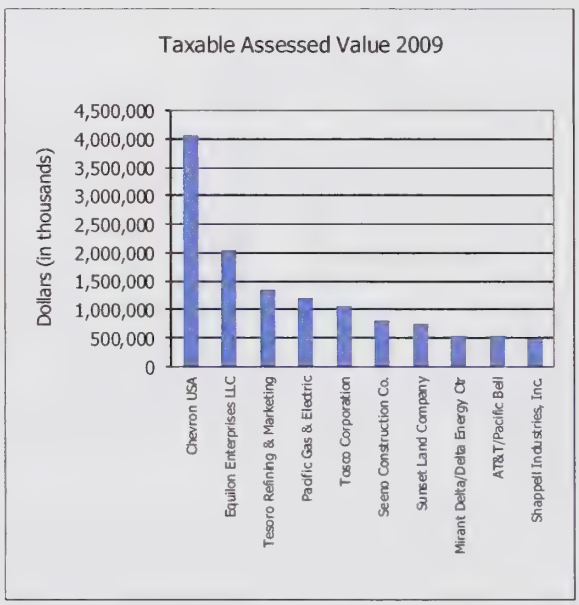
CURRENT YEAR AND NINE YEARS AGO

(In Thousands)

(Unaudited)

	Fiscal Year Ended June 30, 2018			Fiscal Year Ended June 30, 2009		
Taxpayers	Taxable Assessed Value Secured and Unitary	Rank	Percentage of Taxable Assessed Value	Taxable Assessed Value Secured and Unitary	Rank	Percentage of Taxable Assessed Value
Chevron USA	$ 3,405,224	1	1.79 %	$ 4,062,139	1	2.67 %
Equilon Enterprises LLC	1,597,288	2	0.84	2,035,939	2	1.34
Tesoro Refining & Marketing	1,145,265	3	0.60	1,347,011	3	0.89
Phillips 66 Company	1,008,681	4	0.53			
SDC 7	838,352	5	0.44			
First Walnut Creek Mutual	697,960	6	0.37			
BRE Properties, Inc.	597,825	7	0.31			
Sierra Pacific Properties Inc.	543,445	8	0.29			
NRG Delta LLC	542,275	9	0.29			
Shadelands Park LLC	394,262	10	0.21			
Pacific Gas & Electric				1,202,116	4	0.79
Tosco Corporation				1,062,776	5	0.70
Seeno Construction Co.				808,792	6	0.53
Sunset Land Company				746,985	7	0.49
Mirant Delta/Delta Energy Ctr				549,140	8	0.36
AT&T/Pacific Bell				543,666	9	0.36
Shappell Industries, Inc.				502,415	10	0.33
Total	$ 10,770,577		5.67 %	$ 12,860,979		8.46 %





[1]Beginning in fiscal year 2003-2004 a refined methodology was used to determine the principal taxpayers. The assessed value of the property of all of a listed taxpayer's component entities are included. Also, ranking is based on assessed valuation which may be different from taxes paid due to special purpose levies paid by some taxpayers.

Source: Office of the Treasurer-Tax Collector - County of Contra Costa, California

COUNTY OF CONTRA COSTA

PROPERTY TAX LEVIES AND COLLECTIONS

LAST TEN FISCAL YEARS

(In Thousands)

(Unaudited)

Fiscal Year Ended June 30	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collection in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount#	Percentage of Levy#
2009	$ 2,061,930	1,975,895	95.83 %	$ 85,512	2,061,407	99.97 %
2010	1,964,724	1,909,306	97.18	54,857	1,964,163	99.97
2011	1,932,504	1,896,819	98.15	34,740	1,931,559	99.95
2012	1,973,646	1,918,653	97.21	53,452	1,972,105	99.92
2013	1,974,838	1,953,215	98.91	19,417	1,972,632	99.89
2014	2,092,732	2,072,121	99.02	17,959	2,090,080	99.87
2015	2,286,998	2,266,716	99.11	16,288	2,283,004	99.83
2016	2,425,972	2,405,237	99.15	13,286	2,418,523	99.69
2017	2,554,066	2,532,723	99.16	13,217	2,545,940 #	99.68 #
2018	2,707,459	2,686,909	99.24		2,686,909	99.24

Revised

Source: Office of the Auditor-Controller - Property Tax Division - County of Contra Costa, California

COUNTY OF CONTRA COSTA

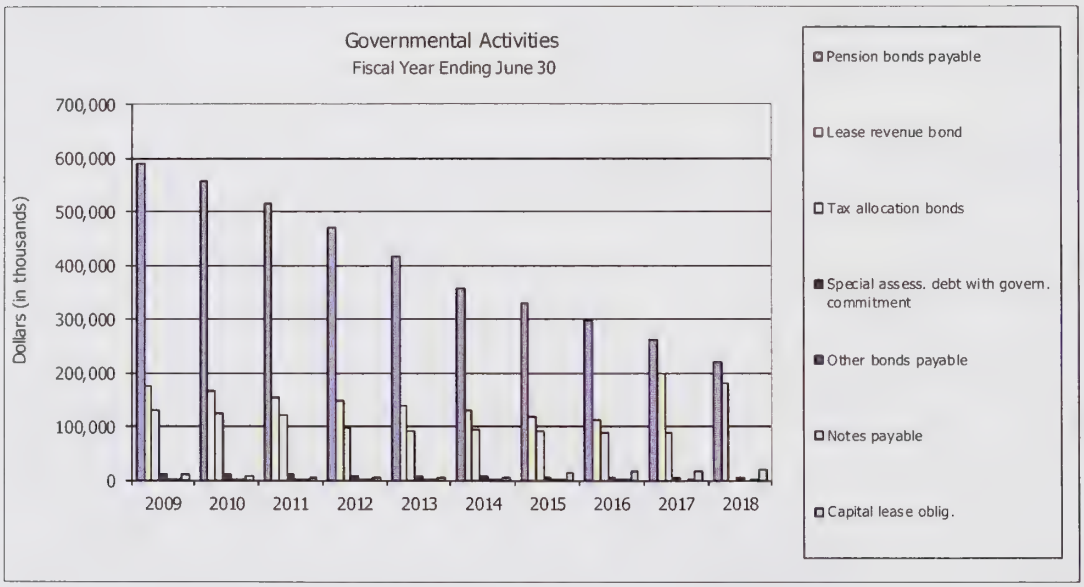
OUTSTANDING DEBT BY TYPE

LAST TEN FISCAL YEARS

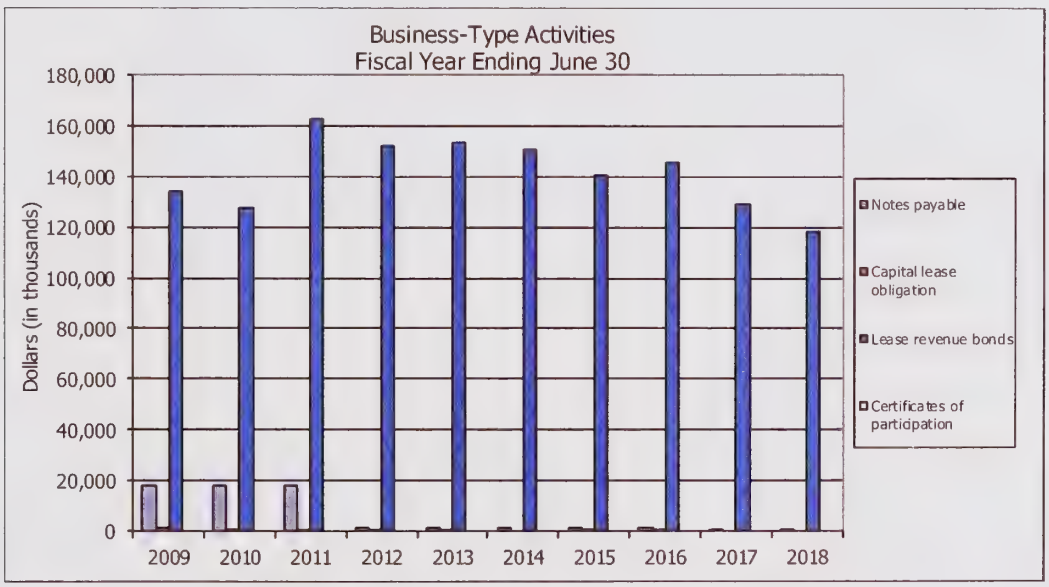
(In Thousands)

(Unaudited)

Fiscal Year Ended June 30[1]	Governmental Activities: Pension Bonds Payable	Lease Revenue Bonds	Tax Allocation Bonds	Special Assess. Debt with Govern. Commitment	Other Bonds Payable	Notes Payable	Capital Lease Oblig.	Total
2009	$ 588,920	176,084	130,880	11,075	3,260	1,384	11,680	923,283
2010	555,490	166,333	123,750	10,395	2,855	1,332	7,558	867,713
2011	516,080	155,554	121,535	9,494	2,495	1,312	5,554	812,024
2012	470,090	148,291	96,270	8,623	2,110	1,495	4,087	730,966
2013	416,295	139,249	92,633	7,580	1,705	1,409	3,801	662,672
2014	358,445	128,989	93,930	6,911	1,285	1,276	3,778	594,614
2015	329,725	116,889	91,821	6,087	885	1,146	13,098	559,651
2016	297,460	111,141	89,622	5,392	455	1,013	15,338	520,421
2017	261,370	199,744	87,393	4,651		876	17,594	571,628
2018	221,130	181,020	0	4,397		735	19,185	426,467



Fiscal Year Ended June 30[1]	Business-Type Activities					Government Total	Ratio Debt to Net Assessed Value	Percentage of Personal Income[2]	Net Debt Per Capita
	Notes Payable	Capital Lease Obligation	Lease Revenue Bonds	Certificates of Participation	Total				
2009	$ 18,246	1,083	134,293		153,622	1,076,905	0.72 %	1.93 %	1,015
2010	17,922	939	127,945		146,806	1,014,519	0.70	1.76	945
2011	17,565	630	162,552		180,747	992,771	0.69	1.63	940
2012	1,577	304	152,103		153,984	884,950	0.61	1.33	830
2013	1,456	104	153,371		154,931	817,603	0.54	1.18	760
2014	1,327		150,823		152,150	746,764	0.46	1.05	686
2015	1,193	227	140,292		141,712	701,363	0.40	0.94	631
2016	1,080	115	145,540		146,735	667,156	0.38	8.30	594
2017	963		129,382		130,345	701,973	0.38	N/A	616
2018	841		118,173		119,014	545,481	0.28	N/A	475



[1] Effective 2013, presentation of outstanding debt by type is net of associated premiums, discounts, and deferred amounts on refunding.

[2] Ratios are calculated using personal income and population data shown in the schedule of Demographic and Economic statistics.

N/A Not Available

Source: Comprehensive Annual Financial Reports - County of Contra Costa, California

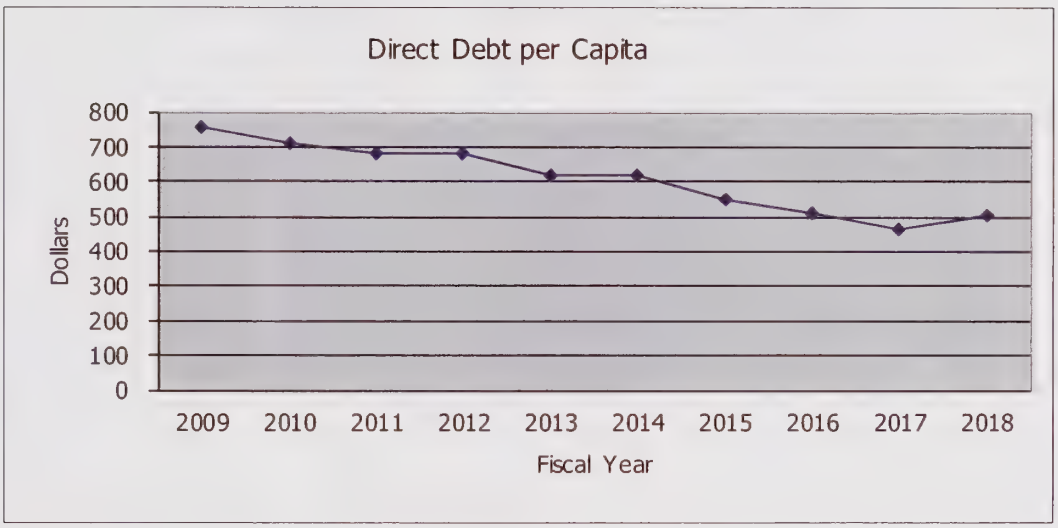
COUNTY OF CONTRA COSTA
DIRECT AND OVERLAPPING BOND DEBT
(In Thousands)
(Unaudited)

	Debt Applicable July 1, 2018 [1]	
	Percentage	Amount
2017-2018 Assessed Value of Taxable Property (includes unitary utility valuation)[2]		$ 196,389,126
Less: Redevelopment Dissolution Increments		21,417,999
Adjusted Assessed Valuation		$ 174,971,127
DIRECT GENERAL FUND OBLIGATION DEBT:		
Contra Costa County Pension Obligations	100	$ 221,130
Lease Revenue Bond	100	181,020
Tax Allocation Bonds	100	
Special Assessment Debt with Governmental Commitment	100	4,397
Notes Payable	100	735
Capital Lease Obligation	100	19,185
TOTAL DIRECT DEBT		426,467
OVERLAPPING GENERAL FUND OBLIGATIONS DEBT		
City of Richmond General Fund Obligations	100	143,725
City of Richmond Pension Obligations	100	81,520
Contra Costa County Fire Protection District Pension Obligation	100	65,250
Other Cities' General Fund Obligations	100	93,596
City of Brentwood General Fund Obligations	100	15,765
Pittsburg Unified School District Certificates of Participation	100	21,395
City of Pittsburg Pension Obligations	100	33,549
City of San Ramon General Fund and Pension Obligations	100	21,410
City of Concord General Fund Obligations	100	1,100
Antioch Unified School District Certificates of Participation	100	33,770
West Contra Costa Unified School District General Fund Obligation	100	10,145
San Ramon Valley Fire Protection District Certificates of Participation	100	17,656
Other School Districts' General Fund Obligations	100	4,579
Alameda-Contra Costa Transit District Certificates of Participation	10.38	1,410
Other Special District Certificates of Participation	Various	1,735
San Ramon Valley School District General Fund Obligations	100	27,469
Moraga-Orinda Fire Protection District Pension Obligation	100	17,734
Total Overlapping General Fund Obligations Debt		591,808
OVERLAPPING TAX AND ASSESSMENT DEBT:		
West Contra Costa Unified School District	100	1,149,663
1915 Act Assessment Bonds (Estimate)	100	268,732
Community Facilities Districts	100	118,040
San Ramon Valley Unified School District	100	405,161
Contra Costa Community College District	100	403,600
Mt. Diablo Unified School District	100	450,577
Acalanes and Liberty Union High School Districts	100	290,351
Bay Area Rapid Transit District	28.62	232,378
Pittsburg Unified School District	100	254,109
East Bay Regional Park District	43.85	81,434
Other School Districts	100	220,919
Brentwood Union School District	100	57,110
Walnut Creek School District	100	38,667
Cities and City Special Tax Districts	100	76,515
Oakley Union School District	100	41,310
West Contra Costa Healthcare District Parcel Tax Obligation	100	54,635
Lafayette School District	100	76,870
Martinez Unified School District	100	80,800
Pleasant Hill Recreation and Park District	100	24,935
Total Overlapping Tax and Assessment Debt		4,325,806
TOTAL OVERLAPPING DEBT		4,917,614
TOTAL DIRECT AND OVERLAPPING DEBT		$ 5,344,081

(continued)

COUNTY OF CONTRA COSTA
DIRECT AND OVERLAPPING BOND DEBT
(In Thousands)
(Unaudited)

	Ratio to Adjusted Assessed Valuation Value (%)	Per Capita
Population [3]		1,149,363
Direct Debt	0.24	$ 371
Total Direct and Overlapping Debt	3.05	4,650



Source: [1] California Municipal Statistics, Inc.

a. Percentage of overlapping agency's assessed valuation located within boundaries of the county.

b. Excludes tax and revenue anticipation notes, revenue, mortgage, revenue and tax allocation bonds and non-bonded capital lease obligations.

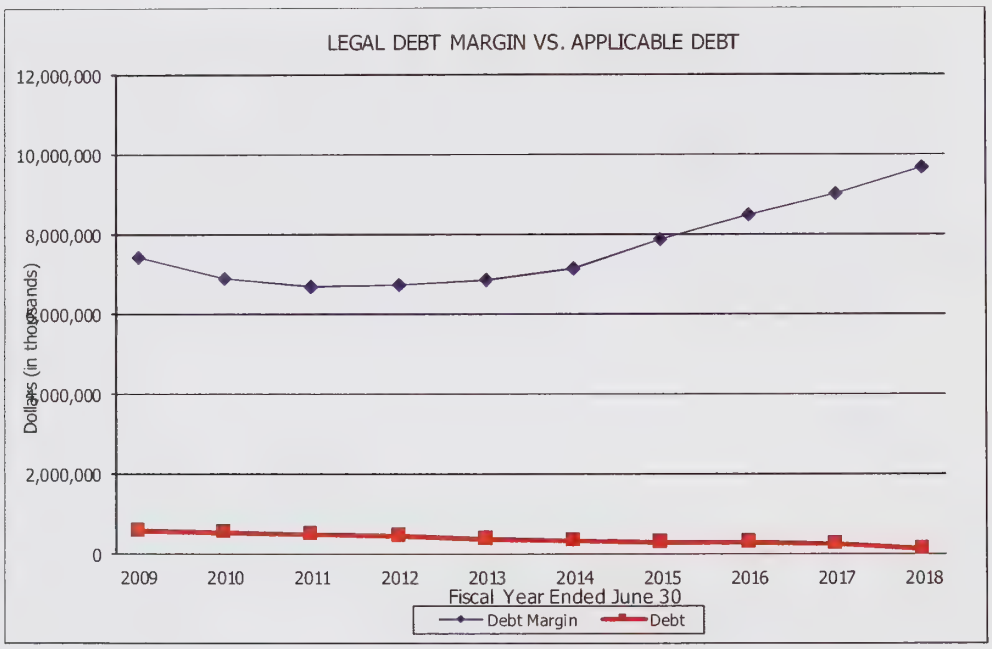
[2] Office of the Auditor-Controller - Property Tax Division - County of Contra Costa

[3] Not in thousands

(concluded)

COUNTY OF CONTRA COSTA
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(In Thousands)
(Unaudited)

		2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Assessed value of taxable property	$	159,818,836	148,644,215	144,144,610	143,622,830	144,808,527	150,129,829	163,511,671	175,606,886	185,955,823	196,389,126
Debt limit - 5% of assessed value [1]	(A) $	7,990,942	7,432,211	7,207,231	7,181,142	7,240,426	7,506,491	8,175,584	8,780,344	9,297,791	9,819,456
Amount of debt applicable to debt limit [2]											
Total bonded debt		596,335	559,060	521,375	454,765	404,500	350,945	327,320	301,030	271,930	155,880
Less: Assets of debt service funds		32,509	22,258	20,427	11,820	12,290	13,958	15,517	8,863	7,307	8,481
Total net general obligation debt	(B)	563,826	536,802	500,948	442,945	392,210	336,987	311,803	292,167	264,623	147,399
Legal debt margin	(A - B) $	7,427,116	6,895,409	6,706,283	6,738,197	6,848,216	7,169,504	7,863,781	8,488,177	9,033,168	9,672,057
Total net general obligation debt applicable to the limit as a percentage of debt limit		7.06%	7.22%	6.95%	6.17%	5.42%	4.49%	3.81%	3.33%	2.85%	1.50%
Total net general obligation debt applicable to the Assessed value of taxable property		0.35%	0.36%	0.35%	0.31%	0.27%	0.22%	0.19%	0.17%	0.14%	0.08%
Population [3]		1,061,325	1,073,055	1,056,064	1,066,602	1,076,429	1,089,219	1,111,143	1,123,429	1,139,313	1,149,363
Total net general obligation debt per capita [4]	$	531.25	500.26	474.35	415.29	364.36	309.38	280.61	260.07	232.22	128.24



[1] California Government Code Section 29909 limits General Obligation Bond indebtedness to five percent of the total assessed valuation of all taxable real and personal property within the county.

[2] Does not include Public Financing Authority nor Assessment District debt.

[3] California Department of Finance Estimate for January 1 of each year.

[4] Not in thousands

Source: Comprehensive Annual Financial Report - County of Contra Costa, California

COUNTY OF CONTRA COSTA

DEMOGRAPHIC AND ECONOMIC STATISTICS

LAST TEN YEARS

(Unaudited)

Fiscal Year Ended June 30		Population[1]		Personal[2] Income		Per Capita[2] Personal Income	Median[3] Age	Education[4] Level	School[5] Enrollment	Average[6] Unemployment Rate
2009		1,061,325		55,781,843		56,703	38.6	37.6	280,612	10.8
2010		1,073,055		57,700,398		55,455	38.0	37.7	277,720	11.3
2011		1,056,064		60,778,678		59,053	N/A	28.5	N/A	11.0
2012		1,066,602		66,544,007		61,638	N/A	N/A	N/A	9.4
2013		1,076,429		69,375,880		63,403	38.0	38.4	283,527	7.3
2014		1,089,219		70,849,779		62,957 #	38.8	39.7	296,436	6.0
2015		1,111,143		74,756,916		68,123 #	38.8	39.6	293,711	4.9
2016		1,126,824		8,041,324	#	70,840	39.1	32.4	293,429	4.9
2017	#	1,139,313	#	N/A		N/A	N/A	N/A	N/A	4.1
2018		1,149,363		N/A		N/A	N/A	N/A	N/A	3.5

N/A Not Available

[1] California Department of Finance Estimate for January 1 of each year.

[2] U.S. Department of Commerce - Bureau of Economic Analysis (thousands)

[3] U.S. Census Bureau

[4] Percent of population with Bachelor or Graduate Degree - U.S. Census Bureau

[5] Population three years and over enrolled in school - U.S. Census Bureau

[6] State of California - Employment Development Department - June Data

[#] Revised

COUNTY OF CONTRA COSTA

PRINCIPAL EMPLOYERS [1]

CURRENT YEAR AND NINE YEARS AGO

(Unaudited)

	2018 [2]			2009 [3]		
Employer	Estimated Employees	Rank	Percentage of Total County Employment	Estimated Employees	Rank	Percentage of Total County Employment
Chevron Corporation	10,000+	1		4,700	1	0.99 %
Bay Alarm Co.	1,000-4,999	T-2				
St. Mary's College	1,000-4,999	T-2				
Bio-Rad Laboratories, Inc.	1,000-4,999	T-2		1,700	4	0.36
Job Connections	1,000-4,999	T-2				
John Muir Medical Center	1,000-4,999	T-2		1,900	3	0.40
Kaiser Permanente	1,000-4,999	T-2				
La Raza Market	1,000-4,999	T-2				
Martinez Medical Offices	1,000-4,999	T-2				
USS-POSCO Industries	1,000-4,999	T-2		975	8	0.20
Kaiser Foundation Hospital				2,300	2	0.49
John Muir/Mt. Diablo Medical Center				1,500	5	0.32
24 Hour Fitness				1,300	6	0.27
Doctors Medical Center				1,000	7	0.21
Contra Costa Newspapers, Inc.				900	9	0.19
Bank of the West				800	10	0.17
All Others	511,900			456,725		96.40
Total	548,900 [4]		0.00 %	473,800		100.00 %

Contra Costa County Employment by Industry [5]

2017* Annual Average

Educational & Health Services	18.70%
Trade, Transportation, & Utilities	17.64%
Professional & Business Services	14.70%
Government	13.62%
Leisure & Hospitality	11.02%
Financial Activities	7.38%
Mining, Logging, & Construction	6.86%
Manufacturing	4.24%
Other Services	3.49%
Information	2.16%
Farm	0.19%

[1] Government Employers Excluded

[2] State of California Employment Development Department, June 2018

[3] Rich's Everyday Sales, Prospecting Directory (2009) - Contra Costa County

[4] State of California Employment Development Department, June 2018

[5] State of California Employment Development Department, June 2017

* Information not posted for 2018

Note: Percentage of total county employment and number of estimated employees for all other employers are based on the midpoints in the ranges given.

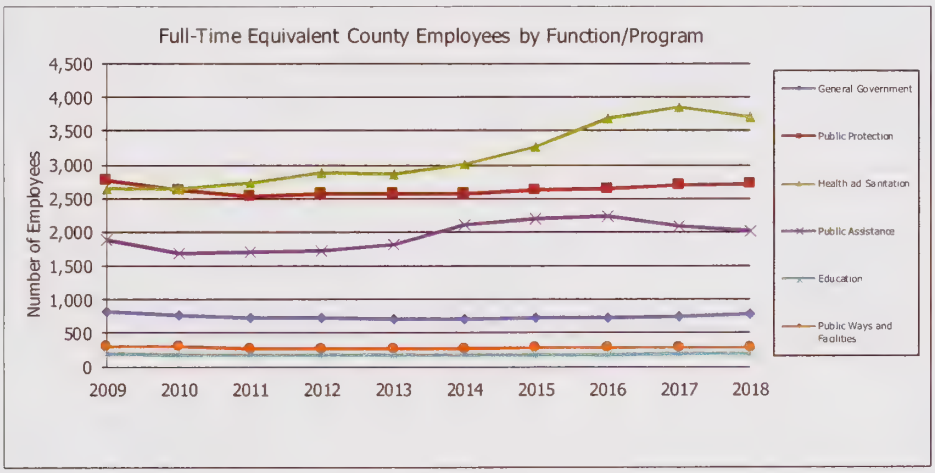
COUNTY OF CONTRA COSTA

FULL-TIME EQUIVALENT COUNTY EMPLOYEES BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS

(Unaudited)

Function	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Government	825	770	735	728	707	712	728	739	751	780
Public Protection	2,773	2,618	2,538	2,565	2,565	2,566	2,624	2,637	2,701	2,717
Health and Sanitation	2,645	2,639	2,735	2,876	2,866	3,014	3,259	3,693	3,855	3,715
Public Assistance	1,884	1,692	1,702	1,722	1,815	2,106	2,203	2,245	2,089	2,020
Education	197	174	169	175	175	175	178	180	194	198
Public Ways and Facilities	301	298	263	263	263	279	281	284	287	288
Total	8,625	8,191	8,142	8,329	8,391	8,852	9,273	9,778	9,877	9,718



Source: County Administrator's Office, Contra Costa County, California

COUNTY OF CONTRA COSTA

OPERATING INDICATORS BY FUNCTION

LAST TEN FISCAL YEARS

FOR THE FISCAL YEAR ENDED JUNE 30

(Unaudited)

Function	2009	2010	2011
General Government			
Assessor			
Number of Assessment Roll Units - Secured	356,213	356,247	357,315
Number of Assessment Roll Units - Unsecured	48,281	47,048	46,235
Auditor-Controller			
Tax Rate Areas Administered	1,064	1,089	1,095
County Counsel			
Tort Claims Filed Against County Transferred to County Counsel	277	243	263
Juvenile Law Contests Set for Each Child	1,873	2,322	1,152
Juvenile Law New Dependency Cases Opened			
Standard Forms Services Agreements	1,486	1,709	1,730
Attorney Overtime Hours			
Formal Written County Counsel Opinions	26	47	35
Clerk-Recorder			
New Voter Registration	79,155	19,235	31,015
Updates to Voter Registration	77,250	9,156	19,112
Cancelled Voter Registration	24,461	13,512	24,538
Total Voter Registration	524,229	523,981	513,129
Recorded Documents	305,382	311,038	333,945
Human Resources			
Employment Applications Processed	13,557	19,793	27,467
Examinations Conducted	229	159	215
Personnel Transactions Processed	24,903	26,803	13,412
Appointments	404	252	869
Percentage of Applications Received as a result of the Online Application Process	82.00%	82.76%	90.71%
Requisition Processed/Eligible List Referred			
Percentage of Eligible Employees Enrolled in Deferred Compensation			
Information Technology			
Enterprise Server Transactions Monthly	2,100,000	2,507,144	2,700,000
Enterprise Server Availability	99.00%	99.00%	99.00%
Viruses Stopped	5,000	133,547	183,547
Spam Emails Stopped	190,000,000	82,800,000	172,000,000

2012	2013	2014	2015	2016	2017	2018
357,644	357,854	359,327	360,368	361,802	363,890	364,975
45,592	45,757	45,751	45,178	42,595	43,415	41,888
1,094	1,094	1,100	1,101	1,105	1,106	1,111
263	212	207	237	185	248	282
1,411	1,280	1,519	1,318	1,698	1,857	1,634
639	616	494	465	526	415	458
1,651	1,701	1,345	1,444	1,524	1,618	1,614
2,019	2,354	2,421	2,458	2,157	2,759	2,454
23,688	74,870	19,246	28,781	80,753	50,189	
18,181	34,371	33,703	38,422	62,259	37,956	
16,721	57,294	15,315	21,977	15,569	29,509	
520,098	527,136	528,429	523,465	604,309	601,715	
320,827	401,725	273,673	274,339	328,743	268,107	
29,068	39,726	32,076	37,865	28,623	26,368	28,933
185	131	137	179	169	166	168
19,310	23,472	24,313	21,206	29,693	31,319	32,193
1,129	1,254	1,514	1,659	1,654	1,542	1,387
91.46%	92.19%	92.06%	100.00%	100.00%		80.50%
					1,326	1,473
					60.00%	64.00%
4,784,008		2,180,137	2,003,706	1,567,815	1,550,160	1,506,866
99.00%		98.00%	98.50%	98.00%	99.00%	99.00%
2,500,000		136,182	84,900	50,856	25,300	49,600
37,000,000		16,230,600	18,195,400	14,691,516	6,100,000	3,300,000

(continued)

COUNTY OF CONTRA COSTA

OPERATING INDICATORS BY FUNCTION

LAST TEN FISCAL YEARS

FOR THE FISCAL YEAR ENDED JUNE 30

(Unaudited)

Function	2009	2010	2011
General Government (continued)			
Public Works			
Fleet Operations			
Fleet Size	1,518	1,468	1,442
Customer Satisfaction (Repairs)			
Customer Satisfaction (Preventative Maintenance)			
Alternative Fuel Vehicles			
Real Estate Services			
Leases Renewed or Amended	17	5	4
Leased Buildings Managed	198	195	153
County Owned Buildings	267	270	293
Purchasing/Materials Management			
Requisitions to Delivery of Purcahse Orders (Avg. No. of Days)			
Purchase Orders Processed	5,249	4,069	4,250
Tonnage of Recycled Material			
Facilities Maintenance			
Work Requests Completed	10,834	13,015	16,538
Emergency Requests Received	6,209	377	454
Percentage of Green supplies used for Custodial Maintenance			87.00%
Capital Projects			
Number of Projects	57	42	29
Special Districts			
Street Lights Number of County Repairs			
Street Lights Number of Average Repair Time (Days)			
Street Lights County Owned			
Street Lights County Outages			
Tax Collector-Treasurer			
Secured Tax Bills	355,847	356,359	363,141
Unsecured Tax Bills	51,814	49,737	51,140
Supplemental Tax Bills	25,180	15,878	23,721
Business Licenses Issued	6,256	6,006	5,588
Public Protection			
Agriculture			
Number of Shipments Inspected/Profiled	69,934	64,835	68,286
Pest Control Inspections	657	575	563
Number of Taxis Inspected	375	355	284
Number of Petroleum Dispensing Devices Inspected	6,040	7,130	6,077

2012	2013	2014	2015	2016	2017	2018
1,458	1,501	1,533	1,557	1,609	1,562	1,535
				90.00%	88.00%	93.00%
				86.00%	94.00%	89.00%
				258	252	287
5	9	10	16	21	14	6
150	148	136	118	106	107	111
284	282	224	229	197	196	196
				7.90	5.60	4.40
5,017	4,666	4,645	4,132	4,359	3,914	3,701
	862	739	967	701	766	1,140
18,051	18,876	21,144	29,826	30,938	33,857	35,193
402	720	619	260	116	100	115
87.00%	87.00%	87.00%	87.00%	87.00%	87.00%	87.00%
40	51	68	86	72	80	81
				30	36	60
				53	24	6
				1,000	1,385	1,425
				43	43	32
364,313		364,949	366,429	369,024	371,195	
49,221		49,726	48,364	44,528	44,590	
19,765		32,185	28,177	33,642	27,995	
5,737		5,352	5,292	5,302	4,859	
50,857	51,548	50,964	44,395	32,783	40,463	36,774
583	581	505	580	403	418	479
257	448	675	988	833	363	315
7,527	4,621	7,035	6,027	5,292	5,703	4,655

(continued)

COUNTY OF CONTRA COSTA

OPERATING INDICATORS BY FUNCTION

LAST TEN FISCAL YEARS

FOR THE FISCAL YEAR ENDED JUNE 30

(Unaudited)

Function	2009	2010	2011
Public Protection (continued)			
Animal Services			
Licenses Sold	39,936	37,220	37,166
Animals Handled	24,815	23,170	23,830
Animals Adopted	6,862	6,328	6,317
Animals Returned to Owner	2,303	2,203	2,175
Child Support Services			
Number of Cases	35,952	34,643	31,940
Conservation and Development			
Number of Land Use Applications Received		617	480
Number of Land Use Entitlements Issued		254	204
Solid Waste Diverted from Landfills			
Number of Affordable Housing Units Provided			
Financial Assistance	486		189
Building Inspection			
Plans Reviewed		6,554	7,168
Permits Issued		8,868	8,500
Inspections Performed		43,656	39,171
Code Enforcement Cases Opened*		2,633	1,298
** reflects shift to early intervention model*			
Housing and Community Improvement			
Number of Dwellings Weatherized**			925
Number of Households rebated under SEP***	N/A	N/A	N/A
*** 2011 and 2012 statistics reflect a one-time ARRA funding*			
****SEP = State Energy Plan, only available in FY 2011-2012*			
Number of Affordable Housing Units Provided Financial Assistance		276	189
Fire Protection Services			
Contra Costa Fire Protection District			
Emergency Calls	44,491	40,641	41,676
Fire Calls	1,770	1,357	1,362
Medical Calls	29,997	26,788	28,820
Inspections Performed	5,433	6,589	13,726
Active Fire Companies	30	30	29

2012	2013	2014	2015	2016	2017	2018
41,000	42,388	48,481	50,567	52,779	46,484	51,250
15,410	14,483	17,220	23,451	17,231	16,877	15,343
6,682	6,885	6,509	6,785	6,833	6,511	5,965
1,906	1,778	1,686	1,470	1,587	1,576	1,638
30,484	30,972	29,653	28,816	27,897	26,478	26,101
505	742	978	926	916	983	1,042
312	148	84	53	747	837	800
157	268	156	204	212	313	
7,211	8,241	8,482	12,395	13,390	13,809	14,664
8,334	9,213	10,347	11,498	12,130	12,170	12,840
37,940	45,161	51,126	55,155	60,981	61,378	64,266
1,083	969	926	719	791	871	914
1,551	375	258	307	292	352	211
218	N/A	N/A	N/A	N/A	N/A	N/A
157	268	156	204	212	313	542
42,175	42,804	45,036	46,989	47,202	49,103	49,863
1,578	1,608	1,897	2,603	2,157	2,262	2,556
29,349	30,110	30,649	32,756	34,186	35,154	35,799
14,242	16,396	14,731	14,819	17,832	14,845	15,778
29	24	23	24	24	26	27

(continued)

COUNTY OF CONTRA COSTA

OPERATING INDICATORS BY FUNCTION

LAST TEN FISCAL YEARS

FOR THE FISCAL YEAR ENDED JUNE 30

(Unaudited)

Function	2009	2010	2011
Public Protection (continued)			
District Attorney (Calendar Year)			
Felony Cases Filed	3,620	4,053	3,305
Misdemeanor Cases Filed	10,938	9,529	8,999
Probation			
Court Reports	7,986	10,000	
Average Supervision Caseload (Including Home Sup.)	4,906	6,395	
Juvenile Hall Detention Care Days	63,432	74,610	
Youth Rehabilitation Care Days	36,409	34,820	
Public Administrator			
Cases Opened	177	200	253
Cases Closed	162	209	270
Public Defender (Calendar Year)			
Cases Handled			
Felony	2,907		2,651
Misdemeanor	7,466		7,596
Juvenile			
Criminal	1,938		1,810
Conservatorship	431		422
Superior Court/Probation Violation	1,895		1,826
Other/Expungements	597		662
Clean Slate			
Prop 47 resentencing			
Miscellaneous			
Sheriff			
Calls for Service			
Priority 1 - Respond immediately	113,595	99,801	95,426
Priority 2 - Respond as soon as possible	51,982	48,569	47,480
Priority 3 - Respond when available	151,825	136,209	135,192
Citations Issued	13,154	15,250	16,469
Crime Reports Processed	29,164	25,661	21,926
Warrants Served	8,806	11,821	8,947

2012	2013	2014	2015	2016	2017	2018
3,688	3,902	4,130	2,978	2,824	2,858	
7,708	10,366	7,985	7,139	7,459	6,651	
8,000	7,400	7,200	6,650	6,400	6,700	5,000
5,700	5,300	5,600	5,300	5,300	5,600	6,000
53,996	47,352	52,925	53,048	53,609	26,924	23,745
34,569	30,700	31,025	23,877	24,145	27,027	17,493
273	297	237	286	221	209	204
191	272	195	191	167	159	208
2,803	3,851	4,422	4,042		3,697	3,783
4,999	4,693	6,856	7,312		6,670	6,687
						529
1,510	1,145	935	772		646	
417	628	373	307		290	321
3,042	3,761	4,875	4,906		4,727	4,872
945	1,459	1,795	597			
					1,807	1,579
					2,548	3,442
			160		177	156
88,699	80,810	81,688	92,072	84,147	83,374	78,586
51,394	42,983	33,994	38,391	39,374	40,091	33,538
134,560	123,427	127,248	122,188	151,115	153,726	144,099
15,469	16,186	16,672	14,680	15,093	13,061	13,517
23,543	24,825	25,858	21,963	20,509	27,887	25,982
5,095	5,136	6,621	6,603	6,592	6,494	5,897

(continued)

COUNTY OF CONTRA COSTA

OPERATING INDICATORS BY FUNCTION

LAST TEN FISCAL YEARS

FOR THE FISCAL YEAR ENDED JUNE 30

(Unaudited)

Function	2009	2010	2011
Public Protection (continued)			
Sheriff continued			
Custody Services			
Bookings - Detention Facility	23,126	23,170	23,621
Bookings - Custody Alternative	4,268	3,836	3,220
Average Daily Population - All Facilities	1,494	1,516	1,545
***Includes custody alternative bookings*			
Health and Sanitation			
Health Services			
Mental Health			
Inpatient Average Daily Census	19	19	20
Instiution for Mental Disease (IMD; average per month)	52	44	36
Board and Care (average per month)	183	192	209
Administrative Days (average per month)	33	25	25
Outpatient Visits (toal annual visits)	432,667	433,982	457,937
Conservatorship Client Months	9,234	9,700	9,950
Conservatorship Clients (total unique clients)	1,023	1,049	1,087
Alcohol & Other Drugs			
Residential Days (total annual days)	70,616	65,038	72,836
Outpatient Visits (total annual visits)	61,409	49,974	39,836
Detention - Average Monthly Inmates	1,547	1,513	1,699
Public Health			
AIDS/HIV Tests (total)	2,431	1,708	1,600
Immunizations Given (total)	21,129	66,276	25,144
Senior Nutrition Meals Served (total)	491,144	499,474	514,455
Environmental Health			
Hazardous Material Incident Responses (total)	3,029	2,692	3,780
Environmental Health Inspections (total)	58,110	57,900	54,281
California Child Serves Cases (annual)	3,239	3,940	3,694
Homeless Clients in Shelters (total unduplicated account)	791	849	877
Public Assistance			
Employment and Human Services			
Average Number of Households Receiving Food Stamps	18,785	23,886	28,583
Number of Adult Protective Service Reports	1,977	1,564	1,713
Average Monthly Number of Medi-Cal Beneficiaries	122,523	131,818	135,988
Number of Children Served by Child Welfare	2,932	2,357	2,087
Number of Families Receiving Childrens Services	1,770	1,398	1,246
Average Number of Children in Foster Care	1,049	920	801
Average Number of Families receiving CalWORKS Assistance	9,973	10,819	11,322
Average Number of Welfare to Work Participants	4,410	3,542	3,125
Average Participants for In-Home Support Services	7,574	7,262	7,409
Average Number of Recipients for In-Home Support Services			
Number of Children Served (Head Start)	3,553	3,678	4,667
Number of Dwellings Weatherized	271	509	1,113

2012	2013	2014	2015	2016	2017	2018
23,310	23,069	24,644	25,356	26,634	24,961	23,124
2,982	2,936	2,916	2,355	2,835	2,808	2,701
1,502	1,529	1,929**	1,751	1,817	1,944	1,455
19	19	18	18	18	17	18
49	39	44	32	32	36	42
172	167	219	217	219	217	213
29	20	22	23	22	23	24
430,713	432,793	460,618	469,613	441,828	446,603	441,170
10,242	10,466	10,524	10,224	10,646		
1,120	1,219	1,182	1,113	1,140	1,119	1,141
49,492	59,808	62,104	55,540	49,099	53,614	42,147
29,994	35,692	31,470	27,701	27,192	31,787	55,446
1,503	1,524	1,568	1,432	1,407	1,487	1,450
2,105	1,941	1,736	1,522	1,001	614	541
18,022	16,067	13,332	9,634	9,612	8,291	6,874
540,586	542,283	500,514	541,754	584,942	588,315	585,720
3,182	2,876	2,835	3,555	4,826	4,722	4,313
50,207	54,357	46,540	44,532	34,218	33,597	31,353
3,725	3,841	4,092	4,157	4,210	4,233	4,253
1,114	1,165	1,252	1,195	1,208	1,399	1,680
32,791	33,232	34,147	35,450	35,370	32,340	31,390
1,791	1,701	1,640	2,607	3,115	3,614	4,214
141,360	159,748	155,102	224,052	266,064	264,251	258,532
2,232	2,362	2,517	2,512	2,482	2,245	2,154
1,316	1,551	1,873	1,922	1,865	1,708	1,765
798	781	858	867	822	771	808
10,948	10,592	10,243	10,160	8,909	7,940	7,601
2,562	3,109	2,934	2,952	1,954	1,509	1,299
7,065	6,971	7,614	8,081	8,583	9,144	8,740
						9,420
3,225	3,198	2,717	2,801	2,564	2,369	2,517
1,014	195	146	160	138	330	211

(continued)

COUNTY OF CONTRA COSTA

OPERATING INDICATORS BY FUNCTION

LAST TEN FISCAL YEARS

FOR THE FISCAL YEAR ENDED JUNE 30

(Unaudited)

Function	2009	2010	2011
Public Assistance (continued)			
Veteran Services			
Claims/Appeals Filed for the Benefit of Veterans	2,140	2,360	2,077
Interviews			
Martinez	5,467	6,112	6,283
San Pablo			
Danville			
Brentwood			
Incoming Calls Received	14,798	15,546	14,815
State of California College Fee Waiver Applications	372	350	401
Number of Veterans receiving monthly benefits	941	1,098	822
Number of Veterans, Family Members, Dependents or Survivors receiving retroactive or lump sum benefits	1,069	822	729
Education			
Library			
Library Visits	3,878,217	4,049,654	4,098,136
Items Circulated	6,728,411	6,944,422	7,489,545
Annual Hours Open	57,148	50,953	50,772
Cooperative Education			
4-H Club Membership		934	683
Youth Federal Nutrition Program		2,876	1,709
Public Ways and Facilities			
Public Works			
Pavement Condition Index Rating	79	75	72
Flood Control Level of Protection	90.00%	90.00%	90.00%
Flood Control Community Rating System		6	6
Roads Level of Service			
Bridge Condition (Congestion Grade Level, General Plan Standard)			
Collisions on County Roads	383	350	308
Land Development Reviews	31	9	69
Percentage of Improvement Plans reviewed within 6 weeks			
Encroachment Permits			1,066

2012	2013	2014	2015	2016	2017	2018
1,890	2,503	2,615	2,522	2,522	2,275	2,895
5,873	5,995	5,322	4,817	6,635	6,749	7,375
	299	262	311	266	323	597
	251	206	236	226	236	268
	204	297	356	386	505	632
13,228	16,350	17,525	17,600	17,750	18,600	18,750
384	435	485	419	514	532	570
597	2,457	2,187	2,135	2,135	1,938	2,341
491	2,457	2,303	2,212	2,212	2,033	2,453
3,959,334	4,068,772	4,063,830	3,768,045	3,591,552	3,235,783	3,085,509
7,483,487	7,222,059	6,890,877	6,548,953	6,071,733	5,748,869	5,495,379
54,113	53,895	56,654	56,524	54,977	54,730	55,614
667	679	636	913	1,145	823	1,179
4,993	4,005	3,618	4,548	5,340	1,674	2,607
69	68	71	73	72	71	71
90.00%	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%
6	6	6	6	6	6	5
	A	A	A			
		8.90%	5.40%	4.30%	8.20%	7.80%
321	299	327	379	371	425	377
49	29	23	36	41	26	45
				70.00%	68.00%	78.00%
1,112	1,014	1,339	1,259	1,299	1,153	1,337

(continued)

COUNTY OF CONTRA COSTA

OPERATING INDICATORS BY FUNCTION

LAST TEN FISCAL YEARS

FOR THE FISCAL YEAR ENDED JUNE 30

(Unaudited)

Function	2009	2010	2011
Enterprise Activities			
Hospital			
Hospital & Clinics			
Inpatient Days (total)	44,716	44,947	44,722
Outpatient Visits (total)	452,486	461,567	449,019
Health Maintenance Plans			
CCHP M-Cal Plan Enrollees (June enrollment)	53,195	58,495	66,244
CCHP Commercial Plan Enrollees (June enrollment)	29,035	28,460	32,350
CCHP Major Risk Enrollees	54	54	51
Sheriff Training Center			
Law Enforcement Training Academy - LETC			
Number of Students - Academy	95	212	200
Number of Students - In Service	2,007	2,031	2,185
Hours of Instruction - Academy	2,200	2,946	3,125
Hours of Instruction - In Service	2,436	2,596	3,096
Airport (Calendar Year)			
Aircraft Operations (Take off / Landing)			
Buchanan	93,881	88,124	79,000
Byron (Estimated)	50,000	50,000	50,000
Tenant Satisfaction (goal of 90% or better)		98.00%	95.00%
Noise Complaints	103	87	108
Safety Deviations		1	1
Hangar Occupancy Rate	100.00%	100.00%	100.00%

Source: Contra Costa County Departments

2012	2013	2014	2015	2016	2017	2018
45,264	44,236	45,077	49,586	48,728	47,433	46,778
455,993	377,152	421,972	453,093	480,367	488,436	496,949
77,338	92,179	124,217	159,685	181,405	181,131	180,018
31,705	26,024	13,310	11,876	11,011	9,249	8,918
54	48	10	1			
182	218	280	263	177	127	112
3,000	3,834	4,056	3,405	5,391	5,107	6,596
3,383	3,240	3,843	3,445	3,037	2,990	2,034
2,400	2,418	2,997	2,563	2,619	3,016	2,988
75,000	79,098	93,000	109,000	114,000	122,000	125,069
50,000	50,000	50,000	60,000	60,000	60,000	60,000
97.00%	96.00%	100.00%	98.00%	95.00%	100.00%	100.00%
74	47	60	81	152	170	195
0	0	1	1	2	4	6
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

(concluded)

COUNTY OF CONTRA COSTA

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS

(Unaudited)

Function	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Government										
Clerk-Recorder										
DFM Mark-A-Vote System										
Data General Terminal	1	1	1							
Card Readers	20	20	19							
BCWin Terminal	4	4	4							
Election Systems and Software										
M100 Precinct Tally Machines	768	768	768	768	768	768	768	768	768	
AutoMark - ADA Assist Ballot Marking Devices	768	768	768	768	768	768	768	768	768	
M650 High Volume Ballot Scanners	6	6	6	6	6	6	6	6	6	
Public Protection										
Animal Services										
Animal Shelters	2	2	2	2	2	2	2	2	2	2
Fire Protection Services										
Contra Costa Fire Protection District										
Fire Stations	30	30	30	30	30	30	30	30	30	30
Fire Engines/Trucks/Other Apparatus	97	80	80	81	82	82	83	98	83	83
Probation										
Juvenile Hall - Certified Beds	290	290		290	290	290	290	290	290	290
Orin Allen Youth Rehabilitation Facility - Certified Beds	100	100		100	100	100	100	100	100	100
Sheriff										
Square Miles Patrolled	521	521	521	521	521	521	521	521	521	521
Patrol Vehicles				145	145	150	150	193	138	133
Waterways Patrolled				250	250	250	250	250	250	250
Patrol Vessels				8	9	9	11	11	11	10
Detention Facilities	3	3	3	3	3	3	3	3	3	3
Education										
Library										
Community Libraries	25	25	25	26	26	26	26	26	26	26
Public Ways and Facilities										
Public Works										
Miles of Road Maintained	664	670	670	660	670	672	666	666	666	662
Miles of Creek/Channels Maintained	75	75	75	75	79	79	79	79	79	79
Enterprise Activities										
Hospital										
Hospital	1	1	1	1	4	4	2	4	12	10
Sheriff Training Center										
Law Enforcement Training Academy - LETC	1	1	1	1	1	1	1	1	1	1
Airport										
Buchanan	1	1	1	1	1	1	1	1	1	1
Byron	1	1	1	1	1	1	1	1	1	1

Source: Contra Costa County Departments

COUNTY OF CONTRA COSTA

MISCELLANEOUS STATISTICS

(Unaudited)

GEOGRAPHICAL LOCATION:	Contra Costa County is located near San Francisco in the Bay Area. It is bordered by San Francisco Bay and San Pablo Bay on the west, by Suisun Bay and the Sacramento and San Joaquin Rivers on the north, by the delta country of San Joaquin County on the east and by Alameda County on the south.
ALTITUDE:	Sea level to 3,849 feet
AREA OF COUNTY:	732.6 square miles of land and 73.3 square miles of water.
COUNTY SEAT:	Martinez, California
FORM OF GOVERNMENT:	General Law County, governed by a five member Board of Supervisors. Contra Costa County is one of the original 27 counties established when California became a state in 1850.

Source: County Administrator's Office

	June 5, 2018 Statewide Primary Election
REGISTERED VOTERS	602,171
NUMBER VOTING	239,628
PERCENT VOTING	39.79%

Source: County Clerk-Recorder Department, Elections Division

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